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Iraq Assails Washington As Buildup Continues

Baghdad Is Isolated, Clinton Aides Assert After Criticism by Aziz

By Brian Knowlton
International Herald Tribune

WASHINGTON — As the U.S. military buildup in the Gulf region continued Thursday, both sides hardened their positions. Iraq blamed the United States and UN weapons inspectors for the latest crisis and U.S. officials said that the Baghdad leadership was now "completely isolated."

Tariq Aziz, the deputy prime minister of Iraq, lashed out at the United States, saying in Baghdad that it had repeatedly failed "serious" efforts by Iraq to comply with United Nations resolutions and obtain a lifting of UN sanctions.

"The road is being blocked continuously, stubbornly, illegally," by the U.S. government, Mr. Aziz said in a news conference broadcast live by CNN.

"We don't see any light at the end of the tunnel," he said, adding, "There is a tunnel after the tunnel."

He again accused UN weapons inspectors, who were withdrawn from Baghdad on Wednesday, of spying for the United States and Israel.

The U.S. State Department spokesman, James Rubin, responded immediately.

"Clearly, Iraq is desperately trying to shift the blame for this crisis away from its shoulders, away from its doorstep, to the United States," he said. "That effort is failing completely and totally."

Joe Lockhart, the White House spokesman, said of Mr. Aziz's comment, "What you are hearing is a voice that is completely isolated."

As proof, U.S. officials cited a statement Thursday by eight Arab states that warned Iraq to cooperate with the UN or bear the consequences.

With 3,000 additional U.S. troops and 129 warships headed to the Gulf region, the likelihood of attacks on Iraqi targets appeared to be rising fast.

Mr. Rubin would not speculate on when an attack might come, although other officials have said that it could be soon.

Mr. Lockhart said that President Bill Clinton faced no "artificial timetable," but added, "This cannot go on indefinitely."

The U.S. defense secretary, William Cohen, said that if the United States did attack, it would be "significant."

And the deputy secretary of state, Strobe Talbott, hinted that any use of force would extend well beyond a day or two of limited strikes.

"There are lots of ways we can make sure he loses on Day One and thereafter," he said, referring to President Saddam Hussein of Iraq.

Mr. Aziz suggested that Iraq would welcome a diplomatic effort by the UN secretary-general, Kofi Annan, to resolve the crisis, but the call appeared to find little resonance.

"He would want an indication from the Iraqis that they are prepared to return to full compliance and then he would want the support of the council that they would want him to mediate," Mr. Annan's spokesman, Fred Eckhardt, said.

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Facing Police, Indonesia's 'Class of 1998' Presses Reform

By Seth Mydans
New York Times Service

JAKARTA — In a last line of defense, riot police on Thursday fired tear gas, water cannon and rubber bullets to keep student demonstrators from invading the grounds of Parliament as they did six months ago when they helped force the ouster of President Suharto.

Dozens of people were reported injured in confrontations around the city as columns of students dodged or bulldozed their way through police lines. Banks and shops pulled down their shutters in fear of rioting.

The demonstrations have built in numbers and intensity this week as Parliament meets to lay the groundwork for a new election that would replace the transitional government of Mr. Suharto's chosen successor, President B. J. Habibie.

The parliamentary session is to conclude Friday with a series of intensely debated decrees that will help shape the future of Indonesia's fledgling attempt at democracy. The students say they will be out in the streets in force, ready to demonstrate their opposition.

Although the electoral process has been gen-



Indonesian police beating back student protesters with rattan sticks Thursday in Jakarta during the largest show of opposition to Parliament's special meeting over the future of the country.

erally endorsed by the country's leading opposition figures, it is not radical enough for most of the students, who are demanding an immediate break with the past.

Riding the momentum of their victory over Mr. Suharto in May, the students have taken over major streets in the capital this week by the tens of thousands, marching and chanting, proud to make their mark on history as the revolutionary "class of 1998."

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U.S. Endorses Kyoto Accord, Joining Fight on Global Warming

American Signature on Pact, Though Nonbinding, Raises Outcry by Domestic Opponents

By John H. Cushman Jr.
New York Times Service

WASHINGTON — The Clinton administration on Thursday signed the international agreement to fight global warming, a gesture meant to affirm American leadership in a long-running environmental crusade but a step that also highlighted the daunting political obstacles that still lie ahead.

The signing, which endorses the terms of the agreement but does not yet put it into force, came during a meeting in Argentina where about 150 nations are still arguing bitterly over the details of its implementation. It raised an immediate outcry among treaty opponents in the United States.

Smart Eizenstat, the chief American delegate to the talks in Buenos Aires, announced Thursday morning that the United States would sign the pact, which was negotiated last year in Kyoto, Japan. Peter Buerling, the acting United Nations ambassador, signed it in New York on Thursday afternoon.

But the administration, as expected, will not yet submit the Kyoto Protocol to the Senate for approval, and therefore it will not become binding. The White House has said all along that the United States would sign it before the deadline next March, but would not ratify it until key American conditions were met. That probably means not before the elections in 2000.

The protocol, which strengthens a global treaty first reached in Rio de Janeiro in 1992, would commit the United States to steep cuts in its emissions of waste gases like carbon dioxide, which comes from burning fossil fuels. Scientists say that rising levels of these greenhouse gases, warming the planet like an invisible blanket, are threatening to disrupt the earth's climate and cause potentially grave environmental harm.

Under the agreement, the United States would have to cut its emissions by about 7 percent from the 1990 level over the next ten to fifteen years. Since 1990, emissions have been steadily increasing, making that target very ambitious.

The conditions that the United States is demanding are meant to hold down the costs of compliance, and to increase the chances the Senate will eventually approve the agreement. One U.S. condition is establishing a system of international trading in emissions credits, effectively allowing the United States to reduce its own emissions less by paying other countries to reduce theirs more. Another is persuading developing nations to take a larger role in cutting emissions, with financial assistance from developed nations.

Both ideas face enormous resistance from countries that say the first steps must be taken by industrial nations like the United States, which historically has emitted about a quarter of all greenhouse gases.

At the same time, American opponents of the treaty led by major energy producers and consumers are continuing to marshal opposition in Congress, arguing that its emissions targets cannot be met without damaging the economy.

Vice President Al Gore emphasized that much more bargaining lies ahead. "Our signing of the protocol underscores our determination to achieve a truly global solution to this global challenge," he said. "We hope to achieve progress in refining the market-based tools agreed to in Kyoto, and in securing the meaningful participation of key developing countries."

Senator Joseph Lieberman, a leading treaty proponent, said in Buenos Aires that signing the protocol "gives us the credibility to be at the table" in the talks. "That means we can not only make sure it happens, but that it happens in the way that we prefer," he said.

But Representative John Dingell, Democrat of Michigan, who opposes the treaty, said, "The timing of this signing only encourages countries who refuse to be part of any effort to limit greenhouse gas emissions."

On Wednesday, Argentina pledged to limit its emissions, and on Thursday, Kazakhstan also did, but

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Blair Leads European Warnings to Baghdad

By Tom Buerkle
International Herald Tribune

LONDON — Prime Minister Tony Blair stepped up the threat of military force against Iraq on Thursday, saying Saddam Hussein must comply with UN weapons inspections "or action will follow."

The fresh warning underlined Mr. Blair's position as President Bill Clinton's staunchest ally. But in contrast to the previous showdown with Iraq over weapons inspections in February, when

some European countries criticized Britain's pro-U.S. stance, there was widespread support in Europe for the British hard line as well as frustration over Iraq's decision to stop cooperating with UN weapons inspectors.

"The next step is action if he is not prepared to come back into compliance with his word," Mr. Blair said.

Mr. Blair's strong support for Mr. Clinton, both over Iraq and personally throughout the scandal surrounding Monica Lewinsky, has brought some criticism both at home and in Europe in recent

months. But it was a sign of European frustration with Mr. Saddam that almost no criticism has been heard this week.

At the French Foreign Ministry, a spokesman said Thursday that "all options are open" at the UN Security Council to deal with Iraq's non-compliance.

"I think that Blair's position has been vindicated," said TERENCE TAYLOR, assistant director of the International Institute for Strategic Studies

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Beijing Takes On a Murder Case

Death Sentence Highlights Authority Over Hong Kong

By Mark Landler
New York Times Service

HONG KONG — In the end, Cheung Tze-keung got exactly the verdict his lawyers feared: a death sentence, handed down Thursday by a Chinese court that found the 44-year-old Hong Kong crime boss guilty of arms smuggling and kidnapping two of Hong Kong's wealthiest tycoons.

While the verdict is a grim ending to one of the most sensational criminal trials in recent Chinese history — watched with daily fascination by people here and on the mainland — it has kicked off a fresh controversy over whether China is encroaching on the judicial authority of Hong Kong.

Mr. Cheung committed the bulk of his crimes, including both kidnappings, in Hong Kong. Yet, he was arrested across the border in Guangdong Province and tried in the provincial capital of Guangzhou.

It was there, early Thursday morning, that the man known as the Big Spender got the bad news. Mr. Cheung's lawyer, Ivan Tang, fought unsuccessfully to have the case moved to Hong Kong. And Thursday he accused the Hong Kong

government of buckling to pressure from China, which wanted to try Mr. Cheung in the mainland, where his crimes carried a more draconian punishment.

If Mr. Cheung had been convicted of kidnapping in Hong Kong, he could have received a life sentence. But in China, if the Guangdong court rejects an appeal by his lawyer, Mr. Cheung is likely to face a swift execution — probably with a single bullet to the back of the head.

"They are not only killing my client, they are killing 'one country, two systems,'" said Mr. Tang, referring to the agreement in which Hong Kong has retained control over its affairs following its reversion to China last year.

Hong Kong officials maintain that because Mr. Cheung committed some of his crimes on the mainland — notably the buying of explosives — the Chinese authorities had the right to try him there. Six of his accomplices also received death sentences, while 29 others received varying jail terms.

Still, the Big Spender case has become an acute embarrassment for a place that prides itself on its

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Cautiously, U.S. Forges New Ties With Algeria

By Drive Priest
Washington Post Service

WASHINGTON — The United States has held its first bilateral military exercise with Algeria, part of a quiet effort to build ties that some U.S. diplomats and human rights activists fear may be sending the wrong message to a regime Washington has accused of widespread rights abuses during a seven-year war against Islamic extremists.

The military overture ends a hands-off policy pursued by the administration of President Bill Clinton toward Algeria, and follows an assessment by U.S. defense and intelligence agencies that the military-controlled government has gained the advantage against extremists. U.S. officials described the

moves as a reward for several recent decisions by Algeria to allow foreign groups to investigate human rights allegations and press censorship.

The Clinton administration has turned increasingly to the U.S. military to initiate or lead its diplomacy in areas where the civilian foreign policy apparatus lacks access or resources. In the case of Algeria, the U.S. Navy is repeating a role it has played in improving bilateral relations with China, Russia, Ukraine, Yemen, Mexico, Chile and Bulgaria, to name a few.

There are no American plans to help Algeria fight the war against Islamist radicals, which has claimed between 75,000 and 120,000 lives, U.S. officials said. Instead, they said, the initiative was a cautious first step toward better relations.

"We do something periodically to show that we're not anti-military," said Ronald Neumann, deputy assistant secretary of state for Near Eastern affairs and a former U.S. ambassador to Algeria, whose tenure ended last year. "But we're not going to get close to them or join their war until we're sure they are for reform and the human rights situation gets better."

Human rights advocates, some U.S. diplomats and other Algeria experts fear that hard-liners in the Algerian military are still in a position to quash what political pluralism has survived, since

Newsstand Prices

Andorra	10.00 FF	Lebanon	11.300
Antilles	12.50 FF	Morocco	18 Dh
Cameroun	1.600 CFA	Qatar	10.00 QR
Spain	CE 5.50	Réunion	12.50 FF
Yemen	10.00 FF	Saudi Arabia	10 SR
Liban	1.100 CFA	Senegal	1.100 CFA
Italy	3.000 Lire	Spain	250 Ptas
Ivory Coast	1.250 CFA	Tunisia	1.250 Din
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur.)	\$1.20

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AGENDA

Yeltsin Misses Banquet for Japan Leader

MOSCOW (Reuters) — Boris Yeltsin skipped a state banquet for the visiting Japanese prime minister, Keizo Obuchi, on Thursday, but the Kremlin insisted the president was not unwell on his first day back at work after two weeks of sick leave.

"This is not connected to his health. He feels fine," said a spokesman, who added that Mr. Yeltsin was spending the evening instead at his Gorky-9 country residence outside Moscow.

He declined to give a reason for the change of plan, which left Prime Minister Yevgeny Primakov hosting the Kremlin dinner, but said it had been agreed earlier with Mr. Obuchi.

Mr. Yeltsin, 67, appeared in good humor but was still showing some of his recent infirmities when he met Mr. Obuchi earlier Thursday. He returned Sunday from a sojourn at the Black Sea resort of Sochi, recuperating from what the Kremlin described as "fatigue" and irregular blood pressure.

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Mobster or Disciple of Gandhi?

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The Dollar

	Thursday @ 4 PM	previous close
DM	1.6845	1.6765
Yen	121.8	121.765
FF	5.6498	5.6268

	Thursday close	percent change
Pound	1.6603	1.6632
Dollar per pound	5.92	5.829.74
S&P 500	2.66	1.118.31
Nasdaq	11.05	1.851.06

Top Europe Bankers

Open to Cutting Rates

The top two European central bankers suggested Thursday that they might not be opposed to cuts in interest rates.

The president of the Bundesbank, Hans Tietmeyer, said assessments of appropriate rates should include sounding out "possible room to maneuver for a rate cut." The president of the new European Central Bank, Wim Duisenberg, said deflation

"would not be considered to be consistent with price stability." Page 15.

Japan Moves to Thwart APEC's Free-Trade Plan

By Michael Richardson
International Herald Tribune

KUALA LUMPUR — Japan has mustered enough support from other Asian and Pacific countries to bar the region's economic crisis to derail a "fast-track" trade-liberalization plan that Washington says is critical if it is to combat protectionism in America, officials said Thursday.

The fight over the agreement to "voluntarily" free up trade in nine sectors valued at more than \$1.5 trillion a year is causing sharp divisions among the 18 members of APEC, the Asia-Pacific Economic Cooperation forum, as the group prepares for its annual meetings of ministers and government leaders from Saturday until Wednesday.

The United States is the largest market for Asian exports, and in recent weeks it has posted record trade deficits with Asian countries. President Bill Clinton warned Tuesday that Washington would not tolerate the "flooding" of U.S. markets with low-cost imports.

Officials involved in preparatory negotiations said Japan had the support of a significant bloc of countries, including China, Indonesia and Thailand as well as Malaysia, which is a key ally because it is chairing the APEC meetings this year and has an important say in shaping the agenda.

While not ruling out a face-saving compromise when the APEC ministers

and leaders meet, officials said the issue of whether to hasten or slow trade liberalization was one of the most difficult to confront the group since it was formed in 1989 to promote closer economic ties in a region that was growing faster than any other area of the world.

That growth has collapsed or disappeared in many economies since the region's financial crisis broke out in Thailand in July 1997. Millions of people in East Asia have been thrown out of work, and many countries are looking to pump up exports to hasten recovery while trying to limit imports.

Japan, which is mired in recession, is refusing demands from the United States and other major food exporters, including Australia, Canada and New Zealand, that it start cutting tariffs and removing other barriers to trade in fish and forest products beginning next year.

The governing Liberal Democratic Party is under pressure from politically influential rural lobbies not to agree to early tariff cuts in order to protect jobs and preserve Japan's self-sufficiency in food and basic resources.

Fish and forest products are two of the nine areas that APEC leaders agreed at their summit meeting in Vancouver in November 1997 should be covered by a so-called Early Voluntary Sectoral Liberalization accord. Firm offers on im-

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Eluding Arrest Through Grace / Mafia Chieftain or Disciple of Gandhi?

A Bloody Crime Wave Rattles Bombay

By Celia W. Dugger
New York Times Service

BOMBAY — The man this city's top crime fighters call a mafia chieftain and a cold-blooded killer was decorously receiving supplicants at his tenement headquarters here one recent afternoon.

Each of them reverently touched his feet before addressing him.

Arun Gawali, self-consciously costumed in the homespun cotton that was the trademark of India's great pacifist, Mahatma K. Gandhi, admitted in an interview to a criminal past he says he now deplores, but denied any part in the audacious blazes of gunfire that have spread fear across this city of more than 10 million people.

"This part of my life I have dedicated to God," he said solemnly.

But the police say this sinner's declared reformation is a hoax. Though he has been often accused, but never convicted of a crime, they say Mr. Gawali is one of the gangsters responsible for a recent spate of violence and a mounting furor over what is widely seen as a breakdown of law and order in India's financial capital, a place where lots of people are making piles of money that criminal gangs covet.

There have been a dozen bloody shoot-outs here in just the past five weeks, 81 so far this year, leaving 88 people dead. One of the most sensational took place directly across the street from police headquarters in broad daylight. Days after that attack, young men roared up to a cafe on motorcycles and shot the owners dead at the cash counter in front of terrified customers.

Last week, gunmen sprayed bullets at a real-estate agent reading his newspaper on a crowded train platform and hit two bystanders as well.

The victims have included businessmen who refused to submit to extortion, as well as some who were involved with the mafia, the police say.

The impunity with which big-time gangsters seem to operate in Bombay has fed corrosive public suspicions, common across India, that politicians protect criminals in exchange for a steady flow of illegal money to pay for their election campaigns.

For months, moviegoers have packed the Eros Theater in central Bombay to watch the film, "Satya," a gritty saga of crime, political corruption and betrayal in Bombay. One recent night, the audience howled at the vulgar jokes of the gangsters, but left the theater grim-faced after the police commissioner, the crooked

Arun Gawali sitting in his tenement headquarters in Bombay beneath a picture of Nehru and Gandhi. Though he is described by the Bombay police as a notorious gangster, he says he has reformed.

politician and all the main gangsters were murdered.

To many in the audience, it seemed that real life was right up there on the movie screen.

The fear of the city's businessmen is palpable. In one of Bombay's poshest financial districts, a rich builder and hotelier described the work of the extortionists. His sister had applied for a bank loan, he said, and soon got a call from a thug who told her that if her balance sheet was so good she had better give him money.

"Someone at the bank had leaked her financial statement," her brother said, speaking on the condition of anonymity. "I've also received threats. I don't want to get in trouble."

But it's not just the city's wealthiest magnates who are targets.

Increasingly, more modest merchants are getting squeezed, too.

The police and business leaders speculate that an economic recession in Bombay and plummeting real estate values here have reduced the money available from the biggest businessmen, forcing gangsters to turn to smaller prey.

A jeweler in the city's teeming wholesale

bazaar in South Bombay said his brother-in-law, also a jewelry shop owner, said he got a telephone call recently. "Give us 11 lakh rupees" — \$26,442 — "or we will kill you," the caller demanded.

"He was so terrified that he shut down his shop and he's gone into hiding," the jeweler said, adding that he was too frightened to give him a name.

The spreading threats and the killings of several prominent businessmen have galvanized the city's business community to lobby for action. The man gunned down last month across from the police station, after all, was the son of Raichand Shah, a department store owner and president of the Federation of Retail Trade Associations.

Mr. Shah said he believed his eldest son, Bharat, 39, was killed because he had encouraged other businessmen to seek police protection

rather than pay extortion. The father said he had been threatened since his son's murder, adding that a caller had told him, "Don't talk about us or your fate will be like your son's and your other children will be killed."

CITING THE SHAH case, Moban Gurnani, president of the Federation of Associations of Maharashtra, an umbrella group of business organizations, said he had informed state and city officials that if crime was not under control by December, his members would stop paying their taxes.

"If you can't protect our lives and property, why should we pay you taxes?" he told the officials.

The city's top elected officials are promising a tough crackdown. And the police are feeling the heat.

D. Sivanandhan, the joint commissioner of police for crime, is working nights and weekends to battle the gangsters. Last week, the jaunty, mustachioed officer sketched out the Sisyphean task his officers face — one he is convinced will require that victims summon up the courage to resist the demands of extortionists.



Celia W. Dugger/The New York Times

More than half the city's residents live in slums, creating an ever ready army of alienated, unemployed young men for the gangsters' ends.

Most of his front-line officers themselves earn a pittance of \$65 a month, a situation that he acknowledged makes them tempting targets for bribes.

His officers are also demoralized by a judicial inquiry report released in September that accused the police of claiming self defense in cases in which it appeared they had summarily executed gangsters.

"We've arrested hundreds of gangsters," the police commissioner said. "We haven't killed all of them. The human rights people should look at such cases."

But even when his officers do arrest the goondas — as gangsters here are often called — it is very difficult to convict them, he said.

"The mafia can scare the wits out of witnesses," he said. "We have no witness protection program like the United States. It's unaffordable."

Mr. Sivanandhan regards Mr. Gawali, the purportedly reformed criminal who now presents himself as a man of peace, as one of

the criminals who has gotten away with murder. Mr. Gawali was recently released from jail after being held for a year under a state law that allows the detention of suspected criminals for that period of time, police officials say. He had earlier been held for six years in jail on various charges including murder and extortion, police officials say, but has so far always been acquitted.

"He's a cold-blooded killer," the police commissioner said. "But he's donning a new role. Overnight, he wants to become a political leader and a philanthropist. But his money is extortionist."

"He has no proof," retorted Mr. Gawali from his headquarters in a millworkers' tenement.

A member of the lowly vegetable sellers' caste and son of a milkman, Mr. Gawali, 48, says he is a changed man. It was the politicians who made him a criminal, he said. "I used to provide them with muscle power." But he said he has since fallen out with his former political patrons and is now active in a new political party. "I was a rebel," Mr. Gawali said. "And if you are a rebel, one way leads to politics and the other to jail. In jail, they call you a goonda. In politics, they call you a minister."

Mexico Tracks Down Banker

U.S. Helps to End Long Hunt for Suspect in Fraud Case

By Julia Preston
New York Times Service

MEXICO CITY — It began as one Mexican detective's dogged but lonely search for an elusive banker who was wanted on 21 charges of financial fraud amounting to at least \$170 million.

But the four-year international manhunt for the banker, Carlos Cabal Beniche, finally succeeded, Mexican officials said, after top American authorities recently decided to pitch in.

Mr. Cabal, who was on the short list of men most wanted by Mexican justice, was arrested Tuesday at his tree-shaded beach-front mansion in Melbourne, Australia, where he had been living with his family for about a year posing as a merchant from the Dominican Republic.

Mexican officials moved Wednesday to seek his extradition.

Mr. Cabal's capture gives a boost to cross-border cooperation against crime, which faltered earlier this year after U.S. Customs disclosed that it had conducted an undercover money-laundering investigation of Mexican banks without informing Mexico.

Mexican officials said that Attorney General Janet Reno gave new support to the pursuit of Mr. Cabal after Mexican investigations turned up signs that he was running a secret financial empire that reached to the Caribbean, South America and Asia, with a major base of operations in South Florida.

The arrest of Mr. Cabal, 41, was a political success in the short term for the Mexican government's financial officials, who have been accused by the opposition of protecting corrupt bankers.

But if he is brought back to Mexico for trial, Mr. Cabal could add explosive new fuel

Air France Faces Strike

PARIS (AFP) — Unions for Air France's flight attendants lodged notice Thursday of a 48-hour strike next week over pay and working conditions.

The unions said the strike would start at midnight Monday and run to midnight Wednesday.

Italy-U.S. Air Accord

ROME (AP) — Italy and the United States signed a preliminary agreement Thursday meant to increase the number of flights between the two countries and to free prices from government regulations.

The agreement will allow U.S. and Italian airlines to fly to any airport in each other's country, a U.S. Embassy statement said. Currently, airlines are allowed a limited number of flights and cannot provide direct flights from all airports.

The accord would also open the market to new airlines on both sides.

Dutch Airport Appeal

AMSTERDAM (AP) — KLM Royal Dutch Airlines and Amsterdam's Schiphol

Airport appealed Thursday for a new airport on a manmade island in the North Sea to allow Schiphol to keep pace with soaring growth.

KLM and Schiphol directors said the island would probably cost 35 to 40 billion guilders (\$18.7 billion or more), but they revealed no construction plans.

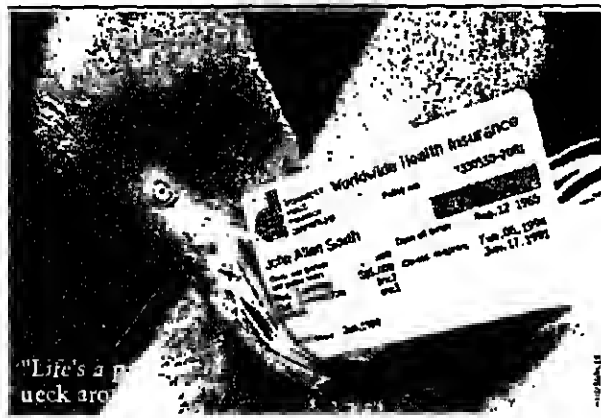
Taxi Protest in Rome

ROME (AFP) — The Italian capital was paralyzed Thursday by thousands of taxi drivers demonstrating against municipal plans to lift restrictions on their fares and working hours in order to increase the number of taxis in the city.

According to the changes proposed by local authorities, taxi drivers who now work in shifts of seven hours and a half will be able to work as long as they want after having worked a minimum six hours a day. The aim is to introduce more competition.

The air traffic radar systems for Southern California and O'Hare International Airport temporarily failed this week, but officials said passengers had not been endangered. (AP)

The planned expansion next year of Don Mueang international airport outside Bangkok has been delayed due to bidding and scheduling problems, an airport official said. (AP)



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MD-11 Switches Prone to Burning

WASHINGTON — Airlines were told Thursday to inspect two lighting dimmer switches in MD-11 cockpits because they may overheat and smoke, but the U.S. Federal Aviation Administration said the problem did not appear to have caused the Sept. 2 crash of Swissair Flight 111.

The agency, which issued the airworthiness directive, said airlines had 30 days to determine if switches on their airplanes are one of two models that are prone to burn.

The agency said it had no evidence that overheating of a switch causes damage beyond the part. "There is also nothing to indicate that these switches are related to the Swissair crash," it said. All 279 people aboard that MD-11 died when it crashed off Nova Scotia.

The order affects 65 U.S.-registered planes; worldwide there are 174 such aircraft, and foreign airlines often follow U.S. safety suggestions.

WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.

Europe	Today	Low	High	Low	High	Low	High
London	52	48	58	45	55	40	50
Paris	50	46	56	43	53	38	48
Rome	55	51	61	48	58	43	53
Madrid	53	49	59	46	56	41	51
Amsterdam	51	47	57	44	54	39	49
Berlin	50	46	56	43	53	38	48
Stockholm	48	44	54	41	51	36	46
Helsinki	46	42	52	39	49	34	44
Oslo	45	41	51	38	48	33	43
Copenhagen	47	43	53	40	50	35	45
Warsaw	49	45	55	42	52	37	47
Prague	48	44	54	41	51	36	46
Bratislava	47	43	53	40	50	35	45
Vienna	46	42	52	39	49	34	44
Budapest	45	41	51	38	48	33	43
Sofia	44	40	50	37	47	32	42
Belgrade	43	39	49	36	46	31	41
Zagreb	42	38	48	35	45	30	40
Ljubljana	41	37	47	34	44	29	39
Trieste	40	36	46	33	43	28	38
Genoa	39	35	45	32	42	27	37
Naples	38	34	44	31	41	26	36
Rome	37	33	43	30	40	25	35
Palermo	36	32	42	29	39	24	34
Catania	35	31	41	28	38	23	33
Syracuse	34	30	40	27	37	22	32
Thessaloniki	33	29	39	26	36	21	31
Athens	32	28	38	25	35	20	30
Corfu	31	27	37	24	34	19	29
Mykonos	30	26	36	23	33	18	28
Santorini	29	25	35	22	32	17	27
Crete	28	24	34	21	31	16	26
Rhodes	27	23	33	20	30	15	25
Corfu	26	22	32	19	29	14	24
Mykonos	25	21	31	18	28	13	23
Santorini	24	20	30	17	27	12	22
Crete	23	19	29	16	26	11	21
Rhodes	22	18	28	15	25	10	20
Corfu	21	17	27	14	24	9	19
Mykonos	20	16	26	13	23	8	18
Santorini	19	15	25	12	22	7	17
Crete	18	14	24	11	21	6	16
Rhodes	17	13	23	10	20	5	15
Corfu	16	12	22	9	19	4	14
Mykonos	15	11	21	8	18	3	13
Santorini	14	10	20	7	17	2	12
Crete	13	9	19	6	16	1	11
Rhodes	12	8	18	5	15	0	10
Corfu	11	7	17	4	14	-1	9
Mykonos	10	6	16	3	13	-2	8
Santorini	9	5	15	2	12	-3	7
Crete	8	4	14	1	11	-4	6
Rhodes	7	3	13	0	10	-5	5
Corfu	6	2	12	-1	9	-6	4
Mykonos	5	1	11	-2	8	-7	3
Santorini	4	0	10	-3	7	-8	2
Crete	3	-1	9	-4	6	-9	1
Rhodes	2	-2	8	-5	5	-10	0
Corfu	1	-3	7	-6	4	-11	-1
Mykonos	0	-4	6	-7	3	-12	-2
Santorini	-1	-5	5	-8	2	-13	-3
Crete	-2	-6	4	-9	1	-14	-4
Rhodes	-3	-7	3	-10	0	-15	-5
Corfu	-4	-8	2	-11	-1	-16	-6
Mykonos	-5	-9	1	-12	-2	-17	-7
Santorini	-6	-10	0	-13	-3	-18	-8
Crete	-7	-11	-1	-14	-4	-19	-9
Rhodes	-8	-12	-2	-15	-5	-20	-10
Corfu	-9	-13	-3	-16	-6	-21	-11
Mykonos	-10	-14	-4	-17	-7	-22	-12
Santorini	-11	-15	-5	-18	-8	-23	-13
Crete	-12	-16	-6	-19	-9	-24	-14
Rhodes	-13	-17	-7	-20	-10	-25	-15
Corfu	-14	-18	-8	-21	-11	-26	-16

Delay Sought On Clinton

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ASIA/PACIFIC

Anwar's Trial Brings Tactics of Malaysia's 'Special' Police to Light

By Thomas Fuller
International Herald Tribune

KUALA LUMPUR — Towering above the courthouse where a judge presides over the trial of Anwar Ibrahim, the former Malaysian deputy prime minister, is a tall white building that holds an eerie mystique for Malaysians. It is called Bukit Aman, the Hill of Peace.

Inside the structure, which overlooks downtown Kuala Lumpur, is the headquarters of the country's "special branch," an elite, secretive police unit with wide-ranging powers.

In the four decades since Malaysia's independence, the special branch has detained and interrogated Communists, religious extremists, opposition politicians, and more recently Mr. Anwar, who is charged with using his political influence to cover up alleged acts of sodomy.

For decades, Malaysians could only speculate on what happened atop the Hill of Peace, but in the past two weeks the special branch has been forced to go public. Top brass from the agency testified in Mr. Anwar's trial have detailed techniques used to interrogate witnesses and have openly said that they do not follow the rules in the Criminal Procedure

Code that governs police conduct.

Last week, the head of the special branch, Mohammed Said Awang, spoke about how his department "turned over" and "neutralized" witnesses — changing an undesirable stand or opinion.

He said his officers would "do a quick assessment on our target, then we see how the possibilities are to turn over their stand."

"If it is a certain political stand," he said, "we may neutralize the stand if it is a security threat."

Under normal circumstances, Mr. Mohammed Said's comments could be taken as sterile police jargon, but coming less than a month after Mr. Anwar described his detention in police custody — being beaten unconscious "until blood seeped down my nose" — the comments have had greater resonance.

A 20-year veteran of the police agency, Abdulaziz Husin, provided more details on special branch techniques in testimony earlier this week.

The continuous interrogation involves the use of rapid-fire questions to create a climate of fear as if a physical attack could occur against the target," he told the court.

Some Malaysians say that the con-

sequences of this extraordinary testimony, which is extensively reported by local newspapers, could be more important than the outcome of the trial itself.

"There's no doubt that there's now a greater degree of cynicism and skepticism about the impartiality of the police — and what should be the independence of the police," said Lim Kit Siang, the leader of the opposition in Parliament who was detained for 18 months during the late 1980s as a threat to national security.

For years, political scientists have spoken about an unwritten social contract in Malaysia. Citizens accepted a powerful police force and government in exchange for stability and continued prosperity. The special branch formed an important part of that contract, serving as the government's tool to clamp down on dissent.

There are signs today, however, that the contract is breaking down, especially when it comes to the police.

Earlier this week, 36 human rights activists, journalists and lawyers announced a 75 million ringgit (\$20 million) lawsuit against the police for illegal arrests and detention following a conference on East Timor that was broken up in 1996. Police had raided the conference,

detained more than 50 Malaysians and had deported 46 foreign participants.

"We are trying to send a very clear message to the government that they can't illegally detain anyone and think they can get away with it," said Elizabeth Wong, a plaintiff in the suit.

Perhaps another measure of disaffection with police tactics is the brisk sales of a book published several years ago about life under police detention called "Two Faces," by Syed Husin Ali, a

former anthropology professor at the University of Malaya who was detained for six years by police following his involvement in a 1974 student protest.

Mr. Syed says he has sold thousands of copies of the book since Mr. Anwar's detention in September.

"The attitude in the past was that if the trusted leader said something that people tended to believe it," said Rustam Sani, a lecturer at the University of Malaya and one of the country's most

influential newspaper columnists until a government-linked newspaper stopped running his articles in May.

"There's been a sea change in our political culture. This is happening at a stage in our political life when the demand for democracy has never been higher." The prosecution is attempting to prove that Mr. Anwar directed the special branch to obtain written retractions from two people who had made allegations about Mr. Anwar's alleged sex acts.

Clinton Does Not Plan to Meet Anwar's Wife

The Associated Press

KUALA LUMPUR — President Bill Clinton does not plan to meet with the wife of Malaysia's detained former deputy prime minister during a visit next week, a U.S. official said Thursday.

Azizah Ismail, the wife of Mr. Anwar Ibrahim, reportedly wants to meet with Mr. Clinton while he is in Kuala Lumpur for a trade summit meeting. She has said she expects to speak with the presidents of Indonesia and the Philippines when they, too, are in the Malaysian capital for the Asia-Pacific Economic Cooperation summit talks.

But U.S. diplomats in the Malaysian capital ruled out that

possibility in a brief statement issued by the U.S. Embassy. The statement gave no reason for the decision not to meet with Miss Azizah.

Mr. Anwar is being tried on charges of sodomy and abuse of power. He was fired by his one-time mentor, Prime Minister Mahatir bin Mohamad, in September after disputes over how to handle Asia's economic crisis.

Mr. Anwar's trial will be suspended during next week's APEC meeting. Any meetings between Miss Azizah and world leaders very likely would infuriate the Malaysian government, which does not want the Anwar case to become a sideshow to the summit talks.

Kim, in China, Advocates A Regional Security Body

Reuters

BEIJING — President Kim Dae Jung of South Korea called Thursday for the creation of a Northeast Asian regional security body to manage territorial disputes and military tension.

"Northeast Asia remains the only region in the world where there is no regional cooperative system for the maintenance of peace," Mr. Kim said in a speech in Beijing on the second day of his official visit to China.

"We cannot but feel the need for the establishment of a cooperative regional organization," he told Peking University faculty and students after listing threats to regional peace, including a weapons

buildup and territorial disputes. He did not provide details on his proposal.

Mr. Kim included the September launch of a North Korean rocket as a seed of conflict in the region, but he said he stood by his efforts to improve relations on the Korean Peninsula.

Mr. Kim, speaking after a meeting with President Jiang Zemin, urged Beijing to take a more active role in the four-way talks among the two Koreas, the United States and China.

"The situation on the peninsula is relaxing on the whole," Mr. Jiang told Mr. Kim, according to a Chinese spokesman, "and the relationship between the parties concerned are improving gradually."

Mr. Kim made little mention of human rights in his speech. Instead, he underscored aspects of Confucian philosophy shared by the two countries that he said mirror Western democratic ideals. "In China, rulers were expected to 'regard the people as they regarded heaven,' and 'respect heaven and love the people,'" he said. "These teachings are as important as the Western idea of human rights."

BRIEFLY

Bangladesh Strike Ends in Violence

DHAKA — Three more people were killed and nearly 200 were injured in clashes between political rivals in the closing hours of a three-day general strike.

The killings raised the death toll to seven, with more than 500 injured during the 60-hour strike, according to news reports Thursday.

The strike was the longest opposition-led shutdown since Sheikh Hasina Wazed's government came to power two years ago.

Business leaders said the strike cost the impoverished country \$200 million in lost revenue. (AP)

Subcontinent Rivals Draw U.S. Pressure

WASHINGTON — The United States, which last week lifted some economic sanctions on India and Pakistan, on Thursday renewed public pressure on both South Asian states to take specific steps to curb nuclear and missile programs.

But in a speech at the Brookings Institution, Deputy Secretary of State Strobe Talbott said the only thing that would really bring peace to the Indian Subcontinent was if New Delhi and Islamabad "liberate themselves from their own enmity."

Otherwise, he said, "No amount of diplomatic exertion on our part, on nonproliferation or any other subject, will have much effect." (Reuters)

Cambodia Prince Will Join Coalition

PHNOM PENH — Prince Norodom Ranariddh, the Cambodian opposition leader, said Thursday that he would form a coalition government with his rival, Prime Minister Hun Sen.

Prince Ranariddh made the comment shortly after his return home from Thailand for talks with Mr. Hun Sen, who is struggling to form a new government three months after disputed elections.

The prince had agreed to return for talks with Mr. Hun Sen — over which his father, King Norodom Sihanouk, would preside — after receiving a guarantee of safety from Mr. Hun Sen's government.

The talks ended after more than four hours, and an official from the prince's party said they had been positive. (Reuters)

For the Record

Conservatives clashed with police in Taipei in a protest against the use of Sun Yat-Sen's image in an election campaign advertisement by Mayor Chen Shui-Bian that they say insults the founder of the Chinese republic. (AP)



TEMPLE TUSSE — Monks brawling Thursday in Seoul over elections for the leadership of the Chogye Buddhist Order, the largest in South Korea. Hundreds of opponents of the head monk, Song Wol Ja, claiming he is incompetent and corrupt, have occupied the headquarters temple and delayed the balloting.

JAKARTA: As Street Clashes Continue, Student Protesters Leave Their Mark on History

Continued from Page 1

in 1968. Already, they have earned the right to help shape the national agenda of Indonesia.

It was their continuing campus demonstrations that kept alive the country's timid opposition to Mr. Suharto after he was anointed for a seventh five-year term in March. And it was the killing by security forces of four students at Trisakti University in mid-May that sparked three days of devastating riots that shook Mr. Suharto's hold on power.

Finally, the students' ebullient and fearless weeklong occupation of the Parliament building was the most visible part of the endgame that forced Mr. Suharto to step down.

Many people here see the students as an essential moral force, assuring that Parliament will not back away from its outline of democratic reforms. As the four-day parliamentary session continued Thursday, delegates inside the building repeatedly asked reporters, "What's happening outside?"

In a nation where all government institutions and almost all public figures are holdovers from the 32-year Suharto era, the students are the most insistent voice for a genuine change. And in a nation that does not yet have a true democracy, their voices must be heard from beyond the spiked fence that surrounds the Parliament building.

But they are not a unified movement with clear leaders, and a foreign diplomat who has analyzed the student groups said they have in recent weeks undergone a process of increasing fragmentation.

"Now they are kind of leaderless, and

some have abandoned their positions of nonviolence," the diplomat said. "The movement is fracturing all the time."

Their various agendas seem to converge on a demand that the military withdraw from its dominant role in politics and that the government investigate Mr. Suharto's stolen wealth. Many students are demanding the immediate resignation of Mr. Habibie, although a split in the movement has emerged over this issue.

In effect, the students are still demon-

strating against Mr. Suharto and his legacy, demanding the completion of Indonesia's halfway revolution.

"We will watch the conclusion of the session, and if Suharto is not punished, we will be back again," said Raja Maures, 19, a student of management at Trisakti University.

At the same time, the student movement is itself a legacy of Mr. Suharto, the product of the rapid economic development he achieved and the emerging

middle class that was its result. The students, with their vision of an open democratic society, are Indonesia's first truly middle class generation.

"We realize that not all the people agree with us," Mr. Yulian said of the students' political agenda. "But our role is educational. By staging our protest, we are saying to the people that it is possible to speak out. For many years, we were held down. Now we break the fence and move forward."

APEC: Tokyo Is Set to Derail 'Fast-Track' Accord on Freer Trade

Continued from Page 1

plementing that accord were supposed to be agreed to in Kuala Lumpur.

In advance of the APEC meetings, U.S. officials have been intensifying warnings that a flood of Asian exports to America — made cheap for U.S. consumers by a big depreciation of Asian currencies against the dollar — could trigger a protectionist backlash unless they are offset by trade liberalization that would benefit U.S. sales to Asia.

Trade Minister Tim Fischer of Australia warned Thursday that Japan's selective approach to the fast-track accord could unleash protectionist forces. "I think the threat of slippage with regard to trade worldwide is very real," he said in Canberra. "I think that would be a disastrous course, would merely extend present economic difficulties."

Mr. Clinton — who is expected to take part in the APEC summit meeting unless the crisis over Iraq forces him to cancel the trip — specifically referred to

the political importance of a deal on the fast-track accord in a speech to U.S. exporters in Washington on Tuesday.

"Last year we agreed to consider opening nine key sectors worth more than \$1.5 trillion a year in world trade," he said. "We need to deliver on that agreement. If we expect the American people to support expanded trade, free trade must also be fair trade."

In a report prepared for the meetings in Kuala Lumpur, the Pacific Economic Cooperation Council said that "a rebirth of protectionism" could abort prospects for economic recovery in East Asia.

The Asia-Pacific region "remains very dependent" on trade, said the council, which comprises business, academic and government representatives from 23 Asia-Pacific economies. It said the risk was "probably greatest in the United States, which is suffering from a historic rise in its merchandise trade deficit."

U.S. officials have said the deficit is likely to swell to a record \$220 billion this year — double the 1997 level — and

could exceed \$300 billion by the end of 1999. Most of the imbalance is with East Asian countries, led by Japan and China.

Despite the high stakes, officials said Thursday that Japan continued to insist that any fast-track agreement be voluntary and that discussion of forestry and fishery tariffs be left to the next round of global trade negotiations under the auspices of the World Trade Organization. Those negotiations are not due to begin before 2000.

China, Indonesia, Thailand and Malaysia have joined Japan in emphasizing the voluntary nature of the fast-track agreement.

APEC's members are Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, Taiwan, Thailand and the United States. Russia, Vietnam and Peru are to be officially admitted as members this weekend.

HONG KONG: China's Taking Jurisdiction in Kidnapper's Trial Stirs Fears in Ex-Colony

Continued from Page 1

British-style legal system. On Tuesday, Mr. Cheung's mother, Tang Sai-mui, went to the offices of Hong Kong's chief executive, Tung Chee-hwa, to plead for her son's case to be moved.

Few politicians or legal experts are rushing to Mr. Cheung's defense. But they are sharply critical of the government for not defending the territory's judicial independence. Under Hong Kong's constitution, they argue, Chinese criminal law does not apply in this former British colony.

"There has been a great outcry, but the government is consistently defending the rights of China," said Martin Lee, a prominent opposition politician here. "Surely they should be on the side of the Hong Kong people."

Gladys Li, the former chairman of the Hong Kong Bar Association, said the hurrying of jurisdictions raised alarming possibilities.

"Could a Hong Kong citizen do something that is perfectly legal under Hong Kong law and be prosecuted for it on the mainland?" she asked.

Equally alarming, according to legal experts here, are the circumstances that

landed Mr. Cheung in a Chinese courtroom. During the trial, Mr. Cheung testified that he and his gang carried out criminal activities in Hong Kong with seemingly little disregard for the local authorities.

In 1996, Mr. Cheung kidnapped Victor Li, the eldest son of Hong Kong's most famous tycoon, Li Ka-shing. While Victor Li was locked in a cramped wooden box, Mr. Cheung negotiated a \$133 million ransom with his father — waiting away the time at the Li family home as the elder Mr. Li pulled together the money.

Mr. Cheung also abducted another property developer, Walter Kwok. After his family balked at the initial ransom demand, he bargained out a deal for \$77 million in meetings with Mr. Kwok's relatives.

In neither case did the families of the victims call the Hong Kong police. People with knowledge of the police department said Li Ka-shing did enlist the help of officials in Beijing, who began a vast manhunt for Mr. Cheung. Authorities here said the lack of a police report weakened their claim on the case.

"I worry that a tycoon can pick up the phone and call Jiang Zemin to com-

plain," said Yash Ghai, a professor of law at Hong Kong University, referring to the president of China. "It's a type of forum shopping."

Hong Kong's legal conflicts with China are not likely to disappear along

with the Big Spender. Legal experts are now focusing on the case of a Chinese man who is accused of murdering three women and two girls in a Hong Kong housing project. The suspect was arrested in China and will be tried there.

China Unveils Plan to Fight Summer Floods

Reuters

BEIJING — China on Thursday unveiled an ambitious forest-recovery plan to cut soil erosion, and the plague of annual summer floods and change the color of its two most famous rivers.

Wang Zhibao, director of the State Forestry Bureau, said the long-term plan would focus on reforestation along the Yangtze and Yellow rivers.

"By the middle of the next century, the Yangtze will be more clear and the Yellow River will be less yellow," Mr. Wang said.

Both rivers are infamous for their murky waters, caused by rampant logging and soil erosion. The Yellow River has not run clear for centuries.

Sitting in the rivers and uncontrolled logging were blamed for China's devastating summer floods, which killed more than 3,600 people and caused more than \$20 billion in economic losses.

China banned all logging along the Yellow and Yangtze rivers following the floods. Under the plan announced Thursday, the cutting ban would be supplemented with planting of high-yield, fast-growth trees along the river banks.

Many of the one million workers affected by the ban would also be shifted to environmental protection and reforestation work.

In addition, Mr. Wang said the plan sought to cut the rate of desertification, which is eating into more than 2,400

square kilometers (900 square miles) of forest and farmland each year.

"Natural disasters such as floods and drought have directly influenced China's development," Mr. Wang said.

"Therefore, the primary tasks for China's forestry development are rehabilitating and expanding forest cover as soon as possible, increasing forest area, and reducing and alleviating the negative effects of natural disasters," he said.

Mr. Wang said the plan would begin producing results early in the next century, but it would require "generations and generations" to undo decades of environmental abuse.

"These problems cannot be solved in a short period of time," Mr. Wang said.

EUROPE

Rumor on Lafontaine Stuns Europe

Germany Said to Push Finance Minister for Top Post in Brussels

By John Schmid
International Herald Tribune

FRANKFURT — Politicians across Europe were caught off guard Thursday by reports that Bonn's new government might push for a German to become the European Union's chief executive.

If the reports are confirmed, they would reflect the newfound national self-confidence espoused during the election by Germany's center-left leaders.

And it would mean that Germany's candidate for the EU's chief executive, Finance Minister Oskar Lafontaine, already entertains thoughts about leaving after less than a month on the job. Mr. Lafontaine, who is seen as the strongest figure in government after Chancellor Gerhard Schröder, earned the nickname "shadow chancellor" after he expanded the ministry's authority.

If Mr. Lafontaine were to be appointed, Europe would have a Socialist at its head, reflecting that 11 of the 15 EU governments have left-leaning leaders.

According to the respected weekly newspaper Die Zeit, a German government member visited Paris and unofficially lured out the French government over a plan for Mr. Lafontaine to replace the European Commission president, Jacques Santer, when his term ends in January 2000.

"The initial talks in Paris were highly confidential," the newspaper said.

The Bild newspaper said Mr. Lafontaine was weighing the post under a "silent agree-

ment" with Mr. Schröder.

The reports touched off a stir because Mr. Lafontaine can get the job only at the expense of Italy, which has enjoyed assurances that Romano Prodi, its respected former prime minister, ranked as the front-runner. By unspoken agreement, the EU's southern states were in line for the top commission job.

In Bonn, Paris and Brussels, officials dismissed the reports as rumor and speculation but stopped short of denials Thursday.

"I am interested in the job of Pope," Mr. Lafontaine said sarcastically. "That is what you should report."

In Paris, the EU European affairs minister, Pierre Moscovici, said that it was "premature" to debate the succession. But top EU postings already are on the agenda in January when Germany takes over the revolving six-month presidency, said Finance Minister Dominique Strauss-Kahn of France.

"It is normal that candidates come into the open," Mr. Strauss-Kahn said. "We shall see which candidate emerges during the European summit in Cologne on June 5, 1999."

By holding the EU presidency, Germany will be able to steer the debate on the 19 commission posts and their president. It has several arguments in its favor.

Germany reluctantly shoulders the highest share of the EU's budget — which it wants to reduce — and is on the front lines of EU expansion into Central and Eastern Europe. Germany held the EU



Oskar Lafontaine at the Bundestag on Thursday.

Commission leadership only once before, from 1958 to 1967, under Walter Hallstein.

Mr. Schröder arguably has the most to gain from parting with Mr. Lafontaine, who has dominated the new government's policy and personnel decisions and made Mr. Schröder the object of derision as a weakened leader.

Mr. Lafontaine, who is chairman of the German Social Democrats, himself wanted to be chancellor but deferred to Mr. Schröder as the better campaigner. By moving to Brussels, Mr. Lafontaine would take over the EU Commission just after the

launch of the euro in January, which could magnify the authority of any EU head.

The Finance Ministry itself threatens to become a thankless job in an era of austerity, barring big-spending plans that Mr. Lafontaine's leftist allies would prefer.

Mr. Lafontaine appears to enjoy the support of the French, who like his state-interventionist and demand-boosting ideas.

To the French, who cannot make a claim on the top EU job because a Frenchman, Jacques Delors, held the post before Mr. Santer, Mr. Lafontaine is the next best thing.

BRIEFLY

Denial in Dublin Murder Trial

DUBLIN — The 34-year-old Dublin man accused of helping murder Veronica Guerin said at his trial Thursday that he had nothing to do with the June 1996 killing, in which the prominent Irish journalist was shot five times in the chest by two men on a motorcycle as she sat in her car.

Paul (Hippo) Ward also denied that he had confessed to getting rid of the 357 Magnum murder weapon and the motorcycle after the crime.

The trial, now in its third week, has refocused national attention on the murder, giving an unusual look into Dublin drug-dealing and an examination of Ms. Guerin's aggressive crime reporting. (NYT)

An Ulster Cease-Fire Certified

BELFAST — The British government accepted as genuine Thursday the six-month-old cease-fire by the Loyalist Volunteer Force, a Protestant militia in Northern Ireland.

After Parliament approves the government certification, imprisoned members of the militia, once considered the most hard-line of all the Protestant paramilitaries, will qualify for early release. The Northern Ireland secretary, Mo Mowlam, said of the group: "I am now satisfied that they have established a complete and unequivocal cease-fire."

But Ms. Mowlam said she was not ready to recognize cease-fires declared by the Irish National Liberation Army and the Real IRA, two Irish Republican Army splinter groups. (AFP)

Recover Bodies, Ferry Panel Says

STOCKHOLM — Divers should try to recover as many bodies as possible from the Baltic Sea ferry Estonia that sank in 1994, killing 852 people, a government-appointed panel recommended Thursday.

Juergen Carlsson, then prime minister, promised four years ago to recover bodies, but the next government decided to leave the 757 missing bodies buried at sea. After the government decided to entomb the wreck, many victims' relatives demanded that the bodies be recovered. The wreck lies about 54 meters (180 feet) below the surface 100 kilometers south of the Finnish port of Turku. (AP)

EU Studies Limiting Antibiotics

BRUSSELS — The European Commission on Thursday proposed banning four antibiotics from animal feed because of fears they could cause the buildup of resistance in humans. A spokesman for the European Union's executive body said EU scientists would consider the proposal, with a decision not likely within a month.

Bacitracin Zinc, Spiramycin, Virginin Mycin and Tylosin Phosphate, the antibiotics under consideration, are added to feed to stimulate the healthy growth of animals and increase meat yields.

But there is mounting scientific evidence that use of the antibiotics increases the resistance humans have to them or to similar compounds. Public health and agricultural lobby groups have stepped up calls for a ban. (Reuters)

U.S. Piqued by Free-Lance Diplomacy

Official's Brother-in-Law Had Unauthorized Talks in Bosnia, Report Says

By Thomas W. Lippman
Washington Post Service

WASHINGTON — The U.S. State Department intervened last summer to cut off a round of unauthorized, free-lance diplomacy in Bosnia by Cody Shearer, the brother-in-law of Deputy Secretary of State Strobe Talbott, according to senior State Department officials.

The officials said the department was responding to reports from diplomats in the region that Mr. Shearer — the twin brother of Mr. Talbott's wife, Brooke Shearer, and the brother of a former U.S. ambassador to Finland, Derek Shearer — was telling Bosnian Serb and Muslim leaders that the United States would support the partition of Bosnia and was even showing maps of the purported partition plan.

The United States has long opposed the partition of Bosnia.

Ambassador Robert Gelbard, the official responsible for overseeing implementation of the Bosnian peace agreement, told the leaders of all Bosnian factions that Mr. Shearer's reported plan had no backing in Washington. Mr. Talbott himself finally wrote a letter to Mr. Shearer asking him to cease his activities, officials said.

Earlier, Mr. Shearer had reportedly been negotiating through a Bosnian contact for the surrender of the former Bosnian Serb leader Radovan Karadzic, who has been indicted by the International War Crimes Tribunal in the Hague. U.S. officials said they tolerated that — without knowing whether Mr. Shearer

had any prospect of success — because the capture of Mr. Karadzic would be in accord with U.S. policy.

But when word filtered back to Washington of the partition discussions — which reportedly had elicited expressions of interest from the Bosnian Muslim leadership — "we said, enough is enough," a senior official said.

At no time was Mr. Shearer authorized to negotiate on behalf of the U.S. government, and Mr. Talbott knew nothing of his activities until he was informed by Mr. Gelbard, senior officials said.

Mr. Shearer, who describes himself as a free-lance journalist and runs a tiny Washington office known as the Institute for International Mediation and Conflict Resolution, said the entire story was "crazy" and "absurd." He said his only role was to put friends at the Hague tribunal in contact with a physician from Montenegro who had information that might lead to the capture of war crimes suspects.

He said he knew nothing of any supposed partition plan. He also said that Mr. Talbott wrote him a letter saying that people were "misconstruing" the family connection, but that it "made no sense."

"I couldn't figure out what he was talking about," Mr. Shearer said.

Mr. Shearer's alleged activities in Bosnia were reported this month by David Bossie, the former chief investigator for the House inquiry into the campaign activities of President Bill Clinton and Vice President Al Gore, presided over by Representative Dan Burton, Re-

publican of Indiana.

Mr. Bossie produces "The Dave Bossie Investigative Report," an Internet newsletter. The Shearer story appeared in the first edition of the newsletter and was excerpted in the Washington Times.

The web of connections among the players in this mini-drama goes beyond Bosnia. While Mr. Bossie once worked for Mr. Burton, Brooke Shearer worked with Terry Lenzner, an investigator who was hired by lawyers for Mr. Clinton in connection with the White House sex scandal. Cody Shearer said published reports that he, too,

worked for Mr. Lenzner were inaccurate.

U.S. Mediator Returns

The U.S. mediator, Christopher Hill, returned to Kosovo Thursday saying he wanted "to move ahead as quickly as possible" in the search for a political solution in the province. Reuters reported from Pristina, Yugoslavia.

"I think we made a lot of progress on the agreement but we have a long way to go," Mr. Hill said after a meeting with the U.S. envoy William Walker, chief of the Kosovo Verification Mission.

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INTERNATIONAL

Israel Presses Controversial Housing

It Seeks Bids to Build Homes for Jews in Arab Part of Jerusalem

By Lee Hockstader
Washington Post Service

JERUSALEM — Less than 24 hours after it endorsed the U.S.-brokered Middle East peace plan, the Israeli government took a decisive step Thursday toward building a huge Jewish neighborhood in the traditionally Arab part of Jerusalem despite bitter opposition by the Palestinians.

It was Israel's decision to break ground for infrastructure on the disputed hillside two winters ago that triggered a 19-month long hiatus in Middle East peace-making.

Thursday, despite repeated requests from the Clinton administration to refrain from provocative acts, Prime Minister Benjamin Netanyahu's government asked for bids to build the first 1,025 homes in a project that would eventually house 30,000 Jews.

The Har Homa housing project, on a pine-covered hill that Arabs call Jabal Abu Ghneim, is the first major effort to change the political geography of Arab-populated East Jerusalem since Israeli-Palestinian negotiations began in 1993.

Although building a large Jewish neighborhood there infuriates Palestin-

ians, it is not clear whether it would be enough to derail the land-for-security peace plan, which was revived last month after nine days of talks mediated by President Bill Clinton.

The Oslo accord of 1993 left the ultimate status of Jerusalem, which Arabs and Jews alike regard as their rightful capital, to be negotiated in final talks between the two sides. But Mr. Netanyahu has insisted that as far as he is concerned, Jerusalem is Israel's eternal and indivisible capital and that construction decisions here are Israel's exclusive right.

"I've said for the last two years Har Homa will be built by the year 2000," Mr. Netanyahu told a group of foreign journalists.

"It's an issue not only of community needs but of sovereignty. Har Homa is predominantly Jewish land."

But Mr. Netanyahu's decision to go forward with Har Homa was widely seen as a concession to his right-wing coalition partners, who fiercely oppose the territorial concessions he made in Washington last month. Israel is to hand over a further 13 percent of the West Bank to the Palestinians in return for Yasser Arafat's pledge that his Palestinian Author-

ity will wage war on terrorist groups.

That deal has threatened to wreck Mr. Netanyahu's conservative coalition and has led to a rebellion in his Likud party. Mindful of the threat to his leadership, Mr. Netanyahu has tried to head off moves among hard-liners in the Parliament to call new elections.

The invitation for construction bids Thursday covered the first 1,025 of some 6,000 homes planned for Jews at the site. The neighborhood, which would include shopping centers, landscaped parks, hotels and a public swimming pool, would come close to completing the encirclement of East Jerusalem's Arab neighborhoods.

That would block their evolution as capital of the state that Palestinians hope to establish during the peace process.

Ross to Return

The U.S. Middle East envoy, Dennis Ross, will fly to the region on Thursday to continue work on the peace agreement, the State Department said, according to Reuters.

Mr. Ross had been planning another Mideast mission for more than a week but his travel was delayed until Israel's cabinet approved the plan on Wednesday.

ALGERIA: Joint Military Exercise Strengthens Ties With U.S.

Continued from Page 1

1992, when the government canceled elections and banned the leading opposition party. The new U.S. approach, they said, could lead hard-liners to believe they have Washington's tacit backing.

"This is a bad move," said John Entelis, an Algerian expert at Fordham University in New York. "The situation is so fluid. There's so much uncertainty. It's a mistake when we're perceived to be on one side, when an even-handed approach is cost-free to us."

In August, Admiral Thomas Lopez, then commander-in-chief of U.S. Naval Forces in Europe, became the first high-ranking American officer to visit Algiers. On Oct. 4, the U.S. and Algerian navies conducted a small search-and-rescue exercise in the Mediterranean, their first bilateral exercise since Algerian independence in 1962.

The Algerian military responded with requests for more exercises and training. It invited U.S. officers on a tour of two air force training centers, began negotiations on U.S. submarine transit rights and offered use of a large training range for U.S. warplanes, according to several U.S. military officials.

"Certainly there is an interest in having a closer relationship with the U.S. military in terms of training and their experience," said Ramtane Lamamra, Algeria's ambassador to the United States. "I think there will be an increase in training."

While private U.S. investment in Algeria stands at \$2 billion, mostly in the oil and natural gas industries, until this year U.S. direct aid amounted to \$61,000 in funds for international military education and training, known as IMET funds.

This year officials doubled the IMET program to \$125,000. Washington ap-

proved the commercial sale of a radar control system and agreed to allow the Algerians to buy more U.S. military training through the expanded-IMET program, which focuses on nonlethal training for midlevel officers.

U.S. officials went ahead with the exercises after Algeria allowed a United Nations human rights commission into the country for a much-restricted, but first, visit.

Rebels Suspected in Attacks

Suspected Muslim rebels slashed the throats of 17 people and wounded three others overnight in the most serious attack against civilians in two months, security forces said Thursday. Reuters reported from Algiers. The security forces said the attack occurred at a hamlet in Ain Defla Province, a radical Islamist stronghold 130 kilometers (80 miles) southwest of Algiers.



CHIRAC VISITS MEXICO — President Jacques Chirac of France, left, joking with President Ernesto Zedillo of Mexico during the official welcome Thursday. Mr. Chirac hopes his visit will improve trade ties.

WARM: Washington Endorses Kyoto Environmental Agreement

Continued from Page 1

countries like China and India whose emissions are growing fast continue to resist doing so.

"The president has chosen a risky path both domestically and internationally," said Connie Holmes, the chairwoman of the Global Climate Coalition, which represents major industry groups opposed to the treaty.

She said that signing the treaty rejected the advice of the Senate, which voted last year not to sign until the developing nations took on commitments. Signing the treaty, she said, gave away negotiating leverage with the Third World. Senator Chuck Hagel, a co-author of the Senate resolution last year, said the signing "instantly contradicts the will of the United States Senate" and dared President Bill Clinton to submit it to the Senate, which must approve any treaty by a two-thirds vote. "If this treaty is good enough to sign, it's good enough to be submitted to the Senate for an open, honest debate," he said.

Environmental groups praised the

signing, but said that so far the United States was not doing enough to cut its own greenhouse gas emissions.

"Without a more vigorous commitment to domestic action, U.S. demands for more action by developing countries are like a chain-smoking parent telling his children that smoking is bad for them," said John Adams, president of the Natural Resources Defense Council, an environmental advocacy group.

Argentina Makes the First Step

John Warrick of The Washington Post reported earlier.

President Carlos Saul Menem of Argentina reinvigorated the climate negotiations by committing his country to cutting "greenhouse gas" emissions in the first such pledge by a developing country since last year's global warming treaty.

Mr. Menem's announcement Wednesday electrified the talks while undercutting one of the biggest obstacles to an international strategy for fighting global warming: getting developing countries to take more responsibility.

The move was hailed as a break-

through by the Clinton administration, which is pressing developing countries to share more of the burden for protecting earth's climate.

"The planet is our home, and to preserve it is our responsibility," Mr. Menem said in declaring Argentina's intention to adopt targets for restricting emissions over the next 13 years.

Secretary of State Madeleine Albright spoke Thursday to her counterparts in Germany, Slovenia, Portugal, France and Japan. Mr. Rubin said, and had concluded "that the rest of the world very clearly has placed responsibility on the shoulders of Iraq."

U.S. officials said that it was not too late for Iraq to resume cooperation with Unscm — the UN weapons inspectors



An Israeli soldier fitting a gas mask at a distribution center in Jerusalem on Thursday. Sixty-five such centers were opened around the country.

Israelis Start Distributing Gas Masks

The Associated Press

JERUSALEM — The Israeli Army opened gas mask distribution centers Thursday in preparation for a possible attack by Iraq, though a senior adviser to Prime Minister Benjamin Netanyahu said the probability of Israel being targeted was "close to zero."

The Palestinians, meanwhile, urged the United States to exhaust the diplomatic option. "I hope and urge that there will not be an attack against Iraq," Yasser Arafat, the Palestinian leader, told The Jerusalem Post.

Mr. Arafat supported Saddam Hussein, the Iraqi leader, in the 1991 Gulf War in which Iraq fired 39 Scud missiles at Israel. However, the Palestinians have remained neutral in subsequent crises.

Mr. Netanyahu met with top ministers Thursday to discuss Israeli preparedness for a possible U.S. strike that might trigger an Iraqi attack on Israel.

On Thursday, the army opened 65 gas mask distribution centers around the country, the army spokesman's office said. The number will gradually be increased to 150 centers that will be open 24 hours a day.

IRAQ: Both Sides Harden Positions as U.S. Continues Buildup

Continued from Page 1

referring to the UN Security Council.

"And I don't think he has got those conditions today."

"That is not to say he would not be available if the council asks him to do something. But at the moment he has no plans to go to Baghdad."

Mr. Annan is scheduled to meet with Security Council members Friday.

Mr. Lockhart said that U.S. officials "prefer a peaceful solution," but added, "There's really nothing to negotiate here."

President Saddam could end the crisis by resuming cooperation with UN inspectors, he said.

Administration officials said that Mr. Clinton, who has met repeatedly with his national security advisers in recent days, could issue an order to strike at any time. Mr. Lockhart said the president had not canceled plans for an Asia trip next week but could do so if the crisis dictated it.

On Thursday, Mr. Clinton phoned the leaders of Germany, Sweden, Belgium and the Netherlands, as he continued seeking support for U.S. handling of the crisis. Administration officials said they were finding backing around the globe.

"The whole world sees Iraq to blame and Iraq as being responsible for the current crisis," Mr. Rubin said.

He and other U.S. officials warmly welcomed a statement from the eight Arab states that cautioned Iraq to cooperate with the UN or bear the consequences of defiance.

"The Iraqi government will be solely responsible for all repercussions resulting from its decision to block Unscm from carrying out its inspections transparently," said a declaration from the members of the Gulf Cooperation Council — Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates — joined by Syria and Egypt.

Mr. Rubin described the declaration, issued in Doha, Qatar, as part of an international "clarion call on Iraq."

The statement gave no indication whether any of the Arab countries would join in a U.S.-led military operation against Iraq.

Secretary of State Madeleine Albright spoke Thursday to her counterparts in Germany, Slovenia, Portugal, France and Japan. Mr. Rubin said, and had concluded "that the rest of the world very clearly has placed responsibility on the shoulders of Iraq."

U.S. officials said that it was not too late for Iraq to resume cooperation with Unscm — the UN weapons inspectors

— but brushed aside the notion that there was anything for Mr. Annan or anyone else to negotiate.

"The responsibility is not the secretary-general's and not the Security Council's," said Peter Burleigh, the acting U.S. ambassador to the United Nations.

"What is needed now is a positive Iraqi response. That is how to defuse the situation."

Similarly, Secretary Cohen said: "We're not seeking to go to war. We're seeking to avoid it. All he has to do is

comply. The choice is his."

Mr. Annan, who in February met with Mr. Saddam in Baghdad and brokered an accord to end the previous crisis, appeared unlikely to undertake a new mission following Iraq's failure to respect the earlier agreement.

Iraq angered many countries by failing to observe the earlier accord, and its friends on the UN Security Council, including France and Russia, have been more reticent about expressing their support this time.

ALLY: Blair Issues Tough Warning to Iraq

Continued from Page 1

in London. He said European governments were "exasperated" by Iraq's abrogation of the weapons-inspection agreement worked out earlier this year by the UN secretary-general, Kofi Annan.

"What diplomatic solution is there? There isn't one right now," Mr. Taylor said.

"That's why you're not hearing objections from the French now."

A spokesman for Mr. Blair said, "There's a different atmosphere now," adding, "There's an acceptance that the international community invested so much in the agreement that Kofi Annan obtained, and now that Saddam has violated it, the frustration is widespread."

A senior Foreign Ministry official emphasized that Britain was striving to avoid any accusations that it was siding too closely with Washington.

Foreign Secretary Robin Cook briefed European Union foreign ministers on the Iraqi situation at a meeting in Brussels on Monday and obtained their support for a condemnation of Iraq's UN violation.

"One thing we have done this time is make a particular effort to make sure our European colleagues were up to speed on this," the official said.

The U.S.-negotiated agreement on Kosovo, which came after the threat of NATO air strikes, also has affected European thinking, this official said.

That deal "has made a lot of Europeans feel that we need a sharper, more muscular foreign policy."

Mr. Blair's position also has been helped by his announcement last month that he was prepared to discuss the creation of a defense capability for the European Union, a longtime British taboo.

The government meanwhile advised all its citizens in Iraq to leave the coun-

try, and the Foreign Office urged news organizations not to send journalists to Iraq.

Mr. Blair's warning was backed up by Defense Secretary George Robertson, who returned Thursday to London after his visit to Kuwait and Bahrain to shore up the support of Gulf Arab states.

"Saddam has no option left now but to comply," Mr. Robertson said. "If he continues to defy world opinion, there will be an inevitability, a sad inevitability about force being used."

The government justified its threat of military action by saying that Mr. Saddam would be capable of mounting a biological attack on short notice. A three-page Defense Ministry briefing paper released by the government said Iraq almost certainly retained stocks of biological weapons and agents, and could still be hiding some Scud missiles. Iraq, it said, "has the expertise and equipment to regenerate an offensive biological warfare capability within weeks."

Mr. Blair discussed the paper at the government's weekly cabinet meetings and a spokesman said British plans would definitely join in any attack on Iraq if efforts to reach a diplomatic solution fail.

Britain has 12 Tornado jets stationed in Kuwait and Saudi Arabia, a small but symbolically important presence alongside a U.S. force that is building toward 300 aircraft.

Schroeder Pleads With Iraq

Chancellor Gerhard Schröder urged Iraq on Thursday to allow UN inspectors to carry out their work in order to achieve a diplomatic solution to the conflict. Reuters reported from Bonn.

"I most strongly urge the Iraqi leadership to fulfill comprehensively the resolutions of the UN Security Council," Mr. Schröder said.

U.S. Christians Protest Persecution Overseas

By Laurie Goodstein
New York Times Service

NEW YORK — In a cramped loft apartment in Macungie, Pennsylvania, a grassroots group that includes a mechanic, a retired teacher, a physician and a concrete salesman gathers every Tuesday to pray for what they call Christian martyrs around the world who are victimized, raped and killed for their faith.

In Highlands, Colorado, volunteers fill a Presbyterian church hall to hear a Nigerian refugee testify that Muslims in his village back home tied him to a tree, beat him and left him for dead, all because he tried to preach the Gospel of Jesus.

In Austin, Texas, 5,000 people march through the streets singing hymns to honor the Christians they are told are suffering in countries like China, Saudi Arabia and Sudan.

Slowly and without much publicity, a new kind of solidarity movement is gaining force among Christians across the United States.

Their focus is what they call "the persecuted church" — the fellow Christians throughout the world who they say have been targets of abuse solely because of their faith.

The concern has grown as Christianity has sprouted up in parts of the world long cultivated by other faiths, resulting in increasing clashes.

The movement has gained mo-

ment despite the advice from international scholars and some foreign-aid groups that what outsiders often label Christian persecution is often a complex brew of racial, economic, political, tribal and religious rivalries.

Nevertheless, very real photographs of tortured pastors and burned churches have had a powerful effect.

Concern about persecuted Christians first emerged about two years ago in the conservative and evangelical churches usually associated with the Christian right. But now it is transcending denominational and political boundaries.

Churches that have long found themselves on opposing sides in the debates over abortion or homosexuality are finding common cause in the fight against Christian persecution.

"All Christians everywhere, the body of Christ, are really one body, so if one part is feeling pain, we should all be feeling pain," said Amy Wierman, who is the host of the prayer group in her apartment in Pennsylvania each Tuesday. "The Christian woman raped in Egypt, that is my sister. The guy shot in Pakistan, that is my brother."

Now a wide swath of Americans who say they never paid much attention to

foreign affairs or human rights is beginning to exert its influence on U.S. foreign policy.

They are lobbying cities to stop doing business with nations that they say persecute Christians. They are writing letters to countries — some of whose names they cannot pronounce — demanding the release of Christian prisoners.

They are swelling the coffers of groups that aid persecuted Christians. And they are traveling to

refugee camps in Africa and Asia, taking donated Bibles and gathering testimony of suffering to take back to their congregations in Ohio or California.

Last month, this fledgling movement succeeded in persuading the Senate to pass by unanimous vote the International Religious Freedom Act, which requires the president to take action against countries that the State Department finds are violating the religious rights of their citizens. The punishment could range from sending a private diplomatic note to invoking economic sanctions. President Bill Clinton signed the bill into law on Oct. 27.

"Human rights is now no longer the prerogative only of the left," said Richard Cizik of the National Association of Evangelicals.

In a movement that is even more spiritual than it is political, the antidote often promoted is prayer. On Sunday, as many as 100,000 U.S. churches — about a third of the churches in the nation — are expected to participate in the International Day of Prayer for the Persecuted Church, an annual event that began two years ago in just 5,000 churches.

Organizers of the Day of Prayer say the event will be observed by a broad array of congregations that rarely find themselves allied, including Methodist, Southern Baptist, Roman Catholic, Pentecostal, Orthodox and Salvation Army churches.

As a result, from both the theological left and right, a consensus is emerging. After decades of soul-searching over the indifference or even complicity of some Christians in the Holocaust and in genocidal wars in Rwanda and Bosnia, Christians are seeing themselves as the victims and martyrs of the moment.

In church services, in literature and in videos put out by the persecuted church movement, they are likening Christian persecution to the Holocaust. They quote from Anne Frank and Elie Wiesel. And for moral reinforcement, they frequently note that it is two Jews — Michael Horowitz, director of the conservative Hudson Institute, and A.M. Rosenthal, a columnist at The New York Times — who have been raising the loudest protests about the persecution of Christians.



Half-Human

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INTERNATIONAL

Lavish Habits Linger On in Brazil

By Diana Jean Schemo
New York Times Staff Writer

BRASILIA — In late August, as South America panicked at the possibility that Brazil's economy would follow Russia's into default, the government here scrambled for ways to protect the country's shrinking foreign reserves.

The government announced billions of dollars of spending cuts and tax increases, and started discussing a bailout with the International Monetary Fund.

Communications Minister Luiz Carlos Mendonça de Barros went to Madrid, where he persuaded Telefonica SA to advance Brazil the next \$3 billion payment toward the Spanish company's purchase of a Brazilian state-owned telephone system.

But back home, Mr. Mendonça de Barros took delivery of four Persian kilims to decorate his office, billing the government \$4,000. That was a modest sum compared with the \$38,000 that the Supreme Court — which will probably have to rule on a number of sacrifices Brazilians are called on to make in the name of austerity — forked over for Persian rugs a few months before.

In Pernambuco, the capital of Brazil's poverty-stricken northeast, the Federal District Court bought \$6,500 in top-of-the-line decorative accent pieces, including wooden vases and fruit bowls costing \$500 each. Here in Brasília, Congress is spending \$1 million to build a moat around itself.

And the presidents of the House and Senate agreed to shower maximum benefits on the 594 lawmakers who will attend a special session to debate government cutbacks and tax increases, paying them \$47,000 for three months — a sum that the majority of Brazilian workers, making less than \$330 a month, would need at least 11 years to earn.

As the Brazilian government hoists the banner of austerity and finishes negotiations for an IMF-led standby loan, the gap between the government's calls for sacrifice and its spending practices

appears striking. Brazil is not the only country whose leaders spend lavishly on furnishings or perks, but some leading economists, like Paulo Rabello de Castro of the Rio de Janeiro-based Atlantic Institute, say that systematic government overspending is so serious here that it lies at the heart of Brazil's financial crisis.

An undisciplined government soaks up credit, they say, choking growth of the private sector.

A review of purchase orders from every branch of government, obtained by The New York Times from a mem-

congressman and longtime watchdog of government waste, said senior officials should set an example of restraint for junior workers. The Congress itself, he noted, was appealing a recent court ruling against the \$47,000 special payment.

"If we're going to the IMF for \$30 billion, it's the Brazilian people who are co-signing that loan," Mr. Carvalho said. "The government shouldn't spend for anything that's not absolutely necessary."

Claudia Costim, the minister of administration and state reform, said the government needed to cut expenses and "moralize" them.

David Fleischer, a professor at the Federal University of Brasília and the president of the Brazilian chapter of Transparency International, said that after October's national elections, the government cut the budget for auditing and tax collection, citing the need for austerity. He said such cuts were often a way of thanking major campaign donors, but Brazil could not afford such largesse now.

"It's not even shooting yourself in the foot," he said. "It's shooting yourself in the head."

Others have pointed out that the \$7 billion in budget cuts, announced as part of a \$23.5 billion austerity package recently, are not all based on actual savings, but on cuts to a pre-election budget for 1999. That budget counted on 4 percent economic growth, instead of the 1 percent shrinkage the government now forecasts for 1999.

In that vein, Supreme Court President José Celso de Mello Filho boasted of slashing 20 percent from the court's 1999 budget. But that was after initially raising it by 23 percent, he acknowledged.

Mr. Mello also said the \$38,000 in Persian carpets the court bought for its salon were necessary because visiting dignitaries frequently dropped in.

Cesar Borges, a spokesman for Mr. Mendonça de Barros, also said Persian carpets were justified at the Communications Ministry, since foreign visitors dropped in there.

'Spending on health, education and other unimportant things is being cut. The country has lost its reason!'

bet of the Brazilian Congress concerned about excessive spending, along with official budget figures and spending regulations, suggest that the government has taken minimal steps to control spending, despite the crisis that has been rolling toward this nation since last autumn, when the central bank doubled interest rates in reaction to the crisis in Thailand.

In category after category, government spending has gone up this year. The executive branch spent \$221.8 million on travel between January and August this year, compared with last year's \$206.6 million. Salaries and benefits in the federal judiciary were up 42.8 percent by this August over last, rising to \$4.7 billion from \$3.2 billion. Federal legislative branch salaries rose 10.6 percent, while those for the military jumped 20.3 percent.

At a time of tax increases and pension cutbacks, press reports of loose spending are drawing angry criticism.

Investments are being cut," Sylla dos Santos Carneiro, a reader outraged at a report of government spending on travel, wrote to the Rio daily Jornal do Brasil. "Spending on health, education and other 'unimportant things' is being cut. The country has lost its reason!"

Augusto Carvalho, an opposition



Michael West, left, Jose Cibella and Jim Robl of Advanced Cell Technology, which says it grew a human nucleus placed inside a cow egg, a novel technique that could be used to develop organs for transplant.

Cells, Half-Human and Half-Cow

Construction of Embryonic Form Troubles Ethicists and Scientists

By Nicholas Wade
New York Times Staff Writer

NEW YORK — Venturing deep into uncharted realms of ethics and medicine, a small biotechnology company has announced that its scientists have for the first time made human cells revert to the primordial, embryonic state from which all other cells develop, by fusing them with cow eggs and creating a hybrid cell.

The research comes from biologists who are well known in their field, but it has yet to be confirmed or even published in a scientific journal. Their company, Advanced Cell Technology of Worcester, Massachusetts, said the method could eventually be used to grow replacement body tissues of any kind from a patient's own cells, sidestepping the increasing scarcity of organs available for transplant and the problems of immune rejection.

The technique is likely to concern ethicists because it involves the cre-

ation of an embryonic cell that is part human and part cow, consisting of a human cell's nucleus inside a cow egg whose own nucleus has been removed. The company said the hybrid cell quickly became more humanlike as the human nucleus took control and displaced cow proteins with human proteins. Creation of the embryonic cells is an important component of a strategy that in principle offers high medical benefits if it can overcome a doubtless high barrier to public acceptance.

The technique involves creating an embryo of uncertain moral status, one that crosses the barrier between humans and other species. Even though the hybrid is in the form of cells, not a whole organism, the concept of half-human creatures arouses deep anxiety, as is evident from the unfriendly powers ascribed to werewolves, centaurs, mermaids, Minotaur and other characters of myth and folklore.

"Many people are going to be horrified by this scenario," said Thomas

Murray, director of the center for biomedical ethics at Case Western Reserve University in Cleveland and a member of the National Bioethics Advisory Commission. "Others will say, 'So what?' This is the sort of thing that makes me very uncomfortable."

Another serious uncertainty is the preliminary nature of the company's work. No article has yet been submitted for peer review and publication in a scientific journal, an essential touchstone of credibility. Scientists asked about the company's work said they would require much more proof before believing that human embryonic stemlike cells had been created, as claimed, and some were skeptical the technique would work at all.

The company said it had achieved the feat announced Wednesday with one cell three years ago, Michael West, chief executive of Advanced Cell Technology, said he was announcing the work done to date in order to test its public acceptability.

U.S. Right Ponders New Tack for 2000

By Thomas B. Edsall
Washington Post Staff Writer

WASHINGTON — The setbacks suffered by social and religious conservatives in the election last week have forced strategists on the right to seriously consider what they once thought impossible: that they might be out of touch with the electorate as they plan for 2000.

For some Republicans and conservative interest-group leaders, the election raised nagging doubts about the political viability of social-issue conservatism. In private, some Republican operatives acknowledge that if the country is becoming more tolerant on moral issues, including sexual fidelity, it could mean trouble for Republican presidential candidates planning on making a call for a moral revival the centerpiece of their campaigns. Those possible candidates include Senator John Ashcroft of Missouri, former Vice President Dan Quayle and Malcolm Forbes.

Capturing the Republican nomination may well involve appealing to a generally conservative primary electorate hungry for denunciations of President Bill Clinton's sexual activities, but emphasis on moral issues could alienate general election voters, many of whom see the Republican focus on the Clinton scandal as an intrusion into private moral questions.

In 1980, Ronald Reagan — a conservative — proved that a candidate who had been divorced could still become president, breaking a barrier that had blocked earlier candidates such as Nelson Rockefeller. Incredulous conservatives are now worried that the public's hostile reaction to the investigation by the independent counsel, Kenneth Starr, of Mr. Clinton's relationship with Monica Lewinsky may have pushed other moral standards, including marital fidelity, off the table.

Whit Ayres, an Atlanta-based Republican pollster who saw two South Carolina clients with ties to the religious right, Governor David Beasley and a Senate nominee, Bob Inglis, take a beating, said the libertarian instincts of American voters might be gaining strength.

There are two competing strains in the United States, said Mr. Ayres: religious conservatism and, "on the other hand, a libertarian strain: 'I can determine for myself right and wrong and I certainly don't need politicians determining that for me.'"

These two strains "coexist side by side, but we are seeing a resurrection of that libertarian strain," he said. Mr. Ayres said he was not sure, but the voters might be undergoing a process of "defining morality down."

"Let's at least admit to entertain that hypothesis," he said.

Mr. Ayres noted that one of his own clients, Michael Bowers, a former Georgia attorney general, almost forced a runoff in the state's Republican gubernatorial primary, even though he admitted to a long-term affair.

James Dobson, head of Focus on the Family and a powerful voice of the right, fears the electorate may have crossed a dangerous moral tipping point.

Citing the voters' unwillingness to voice disapproval of Mr. Clinton at the ballot box, the defeat of a host of Re-

publican candidates with ties to religious conservatives and voter rejection in two states of bans on late-term abortions, Mr. Dobson said.

"My greatest concern is not with the Oval Office or Capitol Hill. My greatest reason for being depressed today is the American people. The country has lurched to the left. It was not that long ago that Gary Hart had to drop out because of one episode. Here, 10 years later, people don't seem to care. There has been a radical change in the moral tone of the country."

Bill Kristol, a former aide to Mr. Quayle who helped engineer the 1994 Republican victory and now edits the Weekly Standard, said: "One can think

of a lot of excuses and complex arguments about why the American people gave Clinton a pass, but the brutal fact of the election was that it was a huge victory for Clinton."

Mr. Kristol added: "Every Puritan or neo-Puritan moment in modern history was preceded by a more libertarian moment. Is Clinton the wave of the future, or is Clinton the last gasp of the culture of the 1960s? None of us knows."

Some leaders of the right flatly dispute suggestions that a majority of the electorate may be slipping out of their grasp, arguing, as Randy Tate, executive director of the Christian Coalition puts it, that "moral issues are winning issues in America."

U.S. Officials Say China Still Sells Missile Data

Washington Post Staff Writer

BEIJING — A team of U.S. officials raised American concerns Thursday that China was continuing to transfer missile technology to countries in Asia, officials said.

A U.S. official said two of the beneficiaries were Pakistan and Iran, according to a report by The Associated Press. The U.S. officials, headed by Undersecretary of State John Holm, raised the concerns when they met with senior Chinese arms control and military officials during a day and a half of meetings meant to encourage China to join the Missile Technology Control Regime.

President Bill Clinton was told in June by his counterpart, Jiang Zemin, that China would consider joining the important nonproliferation agreement, a development touted as one of the major accomplishments of their meeting. The willingness of U.S. officials to publicly raise the concerns about transfers — which have been voiced privately by American arms control experts — shows that the Clinton administration is increasing pressure on China to move more quickly to abide by its commitments to limit its sales of missile technology.

"We have concerns about possible technology transfers from Chinese entities to Iran and Pakistan," a U.S. official traveling with the delegation told The AP. "We continue to discuss those with China and believe they are taking steps to address those problems."

The issue of missile technology transfers is now more important than ever because Pakistan and India are believed to be developing nuclear-capable missiles after their nuclear test blasts earlier this year. China is closely allied with Pakistan, and has had a sometimes-hostile relationship with India, Pakistan's longtime rival. China and India fought a war in the 1960s, and ties have been further strained because India serves as the base for the Tibetan government in exile led by the Dalai Lama, which China views as a group of national "splittists."

Officials are also concerned about transfers of missile technology to Iran because the radical Islamic regime would be able to interdict shipping in the Gulf and threaten Arab allies of the United States if Tehran possessed accurate medium range missiles.

The U.S. officials would not specify which types of missile technologies were allegedly transferred, nor when the transfer occurred.

The suspicions centered not on the sale of missiles themselves, but rather on technology that is listed in the annex of the Missile Technology Control Regime.

China up until now has rejected U.S. entreaties to abide by the annex.



Police guarding the House of Lords in London on Thursday amid displays protesting the Pinochet era. Prosecutors wrapped up their appeal of a ruling granting the former Chilean leader immunity.

U.K. Ruling On Pinochet Is Postponed

Agence France-Press

LONDON — The House of Lords on Thursday postponed its ruling on the fate of General Augusto Pinochet, the former Chilean leader, until an unspecified future date.

Lord Slynn, presiding on the panel of five senior judges, said at the end of the six-day hearing: "We will report our opinion to the House in due course."

He thanked the lawyers on both sides for their efforts in "this most important and very difficult case."

The judgment from Britain's highest court will determine if the former leader is to face extradition to Spain — where he faces charges of torture and murder — or can return to Chile a free man.

A ruling that upheld General Pinochet's immunity would also invalidate moves for his extradition in Switzerland, which submitted a formal request Wednesday.

The judges have no time limit on their deliberations, but a British state prosecution lawyer involved in the case said the ruling could be made next week.

General Pinochet was arrested on Oct. 16 in London at the request of a Spanish investigating magistrate, who wants to try the former dictator for the murder of more than 3,000 political opponents and for torture.

France Requests Extradition

France officially requested the extradition of General Pinochet on Thursday, the Agence France-Press reported from Paris.

The Justice Ministry said in a statement that legal documents requesting his extradition from London had been handed over to the Foreign Ministry on Thursday "to be immediately presented by France through diplomatic channels to the proper authorities in Britain."

BRIEFLY

7 Abducted at Nigeria Oil Rig

LAGOS — Militant youths in southeast Nigeria have abducted seven foreigners and one Nigerian from a drilling rig used by Texaco Inc., an official of the U.S. company said Thursday.

In the attack Wednesday, the youths took away three Americans, one Briton, a Croatian, an Italian, a Nigerian and a South African from a drilling rig under contract to Texaco in the Chioma field in Bayelsa State, part of the Niger Delta, the official, Yusuf N'jie, said.

The attackers, from the Foropah community, "came in boats, boarded and seized control of the rig then left with the hostages," he said. "There were no injuries and no damage was caused to the rig."

Mr. N'jie said those being held were all employed by oil services companies or as contractors and not directly by Texaco. The company did not know where the eight were being held, he added. U.S. and company officials declined to identify any of those being held.

Industry sources said they believed the incident was linked to demands that Texaco pay compensation to the Foropah community over a recent oil spill.

(AFP)

Zyuganov Assails Anti-Semitism

MOSCOW — The leader of the Russian Communist Party, Gennadi Zyuganov, under fire for his failure to silence a parliamentary deputy's anti-Semitic remarks, said Thursday that he had told the Israeli ambassador in Moscow that his party deplored anti-Semitism.

Mr. Zyuganov said he told the envoy, Zvi Magen, that

remarks by a Communist member of Parliament, Albert Makashov — who has called Jews "bloodsuckers" and said they should be rounded up and jailed — were "inappropriate, lacking in self-control and incorrect," Interfax press agency reported. The Israeli Embassy was not immediately available to comment.

The remarks, which followed a less precise party statement Wednesday, were Mr. Zyuganov's clearest condemnation of anti-Semitism since his party helped block a measure in the State Duma lower house last week to censure Mr. Makashov.

Puerto Rico Lawsuit Withdrawn

SAN JUAN, Puerto Rico — An opposition party has withdrawn its lawsuit challenging a vote on possible statehood for Puerto Rico.

The Popular Democratic Party sued the administration of Governor Pedro Rossello in a local court, claiming the ballot was worded to favor statehood.

But the U.S. First Circuit Court of Appeals in Boston ruled Monday that the party's lawsuit belongs in a federal court. Puerto Ricans are set to vote Dec. 13 for statehood, independence or a continued commonwealth.

(AP)

Swiss Tourist Killed in Mexico

MEXICO CITY — A Swiss tourist was killed when he attempted to videotape a train robbery in the northern border state of Chihuahua, the state police said. Ernest Schmidt, 68, was shot three times in the chest and head by the gunmen, who also wounded three other tourists.

(AP)

Overseas

EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Watch Clinton in Malaysia

President Bill Clinton is scheduled to visit Malaysia next week, just as that nation's leader is disgracing himself with a craven crackdown on peaceful opponents. Mr. Clinton is right to go, if events in Iraq do not preclude presidential travel. The occasion is an annual meeting of Asian and North and Latin American heads of state for which Malaysia just happens to be host this year.

But Mr. Clinton should make sure that his visit cannot be seen as an endorsement of President Mahathir bin Mohamad. On the contrary, Mr. Clinton and his team should show Malaysia that they are on the side of democracy and human rights.

The most sensational aspect of Mr. Mahathir's crackdown is the persecution of his longtime protégé and former finance minister, Anwar Ibrahim. When Mr. Anwar objected to his president's handling of the continuing financial crisis, including his loud scapegoating of Jews and other outsiders, he found himself arrested on charges of corruption and homosexual activity, a crime under Malaysian law.

Outsiders may not be able to fairly judge the validity of all the charges. But it is fair to note that two key witnesses have now recanted their confessions, saying they were given under duress; that Mr. Anwar himself was beaten unconscious in police custody; and that the government's chief wit-

ness, a top police official, has admitted on the witness stand that he concluded some time ago that charges against Mr. Anwar were baseless smears.

Malaysians have rallied to Mr. Anwar's defense — and more broadly to the cause of political reform — as never before in Mr. Mahathir's 17 years of authoritarian rule. In response, Mr. Mahathir has lashed out at his own people. Malaysia already was a country where more than five people could not gather without a permit and where police could detain anyone without trial. Now, to discourage demonstrations, the government has threatened to expel students from university, to fire civil servants and — in what may be a new low for dictators — to seize children from parents who demonstrate.

Remarkably, none of this has squelched the protest movement. Malaysians continue to seek to assemble peacefully. Though the government controls most media, people find ways to spread real news, especially via the Internet. That means that Mr. Clinton's words and actions will be closely scrutinized. His decision to avoid a one-on-one meeting with his host is a welcome first step. Other heads of state have said they will seek to meet with Mr. Anwar or his embattled wife. Mr. Clinton similarly should find ways to demonstrate his support for a rule of law.

—THE WASHINGTON POST

Israel's Conditional Yes

It was no small achievement for Prime Minister Benjamin Netanyahu to obtain Israeli cabinet approval of the Maryland peace agreement with the Palestinians. But the decision was hedged with unnecessary and disruptive conditions.

In nine days of hard bargaining at Wye Mills, Maryland, last month, Mr. Netanyahu won agreement to all the terms he then considered necessary to ensure that the Palestinians lived up to their obligations to combat terrorism. Israel got an American-monitored security plan, it was a hard commitment from the Palestinian leader, Yasser Arafat, to eliminate all references to Israel's destruction from the Palestinian national charter. Since the peace conference, Israel has seen Mr. Arafat's Palestinian Authority crack down hard on Hamas terrorism after two abortive attacks.

Yet for internal political reasons, Mr. Netanyahu delayed cabinet ratification of the agreement and then attached a series of complicating conditions. These include spelling out the internal procedures the Palestinians must use to revise their charter and a declaration that Israel will annex parts of the West Bank if the Palestinians declare an independent state next May. The essential terms for changing the charter were agreed to by both sides in Maryland.

Any early declaration of independence by Mr. Arafat would clearly rupture the Oslo peace agreement.

The Israeli conditions, including a mischief-inviting commitment to resubmit each phase of the agreed 13 percent Israeli military pullback for separate cabinet ratification, may be meant to reassure Mr. Netanyahu's restive right-wing cabinet partners. But they threaten to undermine substantive understandings with the Palestinians.

Even more troubling is Mr. Netanyahu's newly reaffirmed intention to strengthen Israeli settlement activity in the West Bank and Gaza Strip, along with plans to approve new construction on the disputed Har Homa project in East Jerusalem. Negotiations with the Palestinians are now set to enter their delicate final stage, with the future of Jewish settlements and competing claims in Jerusalem two of the most sensitive issues. The United States has repeatedly asked Israel to call a temporary time-out on new settlement activity as these negotiations move forward. Mr. Netanyahu must surely know that any new push on settlements now could endanger the revived momentum toward peace that Washington has worked so hard to achieve over the past 19 months.

—THE NEW YORK TIMES

Defusing Asia's Bombs

The United States is struggling to limit the damage done to nuclear non-proliferation by India's and Pakistan's tests. Prompted by Washington, the two countries have accepted a voluntary test ban and committed to the test-ban treaty, joined talks on a fissile materials ban, resumed dialogue on disputed Kashmir and opened direct nuclear talks. In return, President Bill Clinton is lifting most of the economic and military sanctions he imposed after the underground explosions last May.

From this point on, however, tough negotiations get tougher. The problem starts with India. Pakistan, in testing, was only playing catch-up against its larger and more powerful regional rival. Left to itself, it would not have tested. But India's bomb is more status-driven. Its definition of its security and strategic interests is grander and more resistant to the nuclear restraints the United States is attempting to impose. These restraints involve limits on India's and Pakistan's next-stage passage from tests to weapons, and denial to the South Asians of the high status of being formally regarded in the non-proliferation treaty as a declared nuclear power.

The immediate question is whether either India or Pakistan, having built a bomb, will forgo the extra steps needed to deliver it. The answer is different for the two. For Pakistan, the requirement is an alternative means of security other than the bomb. Alternatives might be: an easing of the Kashmir dispute, warming relations with India or security understandings with other powers.

For India, the requirement is an alternative path to status and strategic reach. Alternatives might be: an early permanent seat on the United Nations Security Council as a nonnuclear but global player; an agenda expansion to include not only American complaints about Indian policy but also Indian complaints that Washington is lax in meeting some of its own nonproliferation obligations.

All this points to a prolonged and difficult broadening of American diplomacy. Nobody ever said nonproliferation was easy.

—THE WASHINGTON POST

Other Comment

The Impeachment Swamp

"God, I'd like to forget all this," the chairman of the House Judiciary Committee, Henry J. Hyde, Republican of Illinois, blurted out Monday. It was a kind of political primal scream from an experienced legislator who can see that the impeachment process, even though it appears headed for a dead end, could drag his fractious committee through a very smelly swamp before it gets there.

—Los Angeles Times

For High-Return Investment, Aid the Right Nations

By Joseph Stiglitz

WASHINGTON — Foreign aid is at an all-time low. More than 50 years after the Marshall Plan, development assistance has shrunk to less than a quarter of one percent of major donors' gross national product, the smallest share ever. Among the reasons for this drop, one stands out: the pervasive assumption, especially among some policymakers, that aid does not work very well.

It is true that aid has been an unmitigated failure under some conditions, but it has also been a spectacular success in others.

A new World Bank research report, "Assessing Aid," released in Paris and London on Tuesday, shows why aid works well, for example, in Bolivia or Uganda, but has little or no impact in Nigeria or Zambia.

Whether starting with the question, "Does aid work?" the report begins with the question, "When does aid work best?" The answer is needed urgently. Despite great strides in poverty reduction in the last 50 years, more than a billion people still live in extreme poverty on less than \$1 a day. Even more people lack basic services such as clean water, sanitation, electricity and schooling.

The focus on the circumstances under which aid works changes the nature of the debate over foreign aid. Rather than arguing for more aid or less aid, the report suggests that donors should concentrate on promoting effective assistance while scaling back less beneficial activity.

At the same time that our aid budgets have diminished, our aspirations have

expanded. Fifty years ago, development focused on only one objective: increasing GDP. Today, we seek to increase living standards, improve health and education, and maintain a healthy environment. We also want development to be equitable and democratic, so that all of society can take part in decision-making and all groups can reap the fruits of progress.

"Assessing Aid" finds that foreign assistance has the strongest impact on growth in developing countries with sound policies and institutions — macroeconomic stability, openness to trade, secure property rights and absence of corruption, to name a few important ones.

In countries with poor policies — that is, with poor incentives for production — financial aid has a much weaker impact.

To maximize poverty reduction, financial aid should favor countries such as India, Ethiopia and Uganda, which are poor but have sound economic policies. Since nearly 75 percent of the world's poor live in countries with sound policy environments, targeting assistance to these countries would have a tremendous impact on world poverty.

Yet in 1996, the most recent year for which figures are available, donors gave only small amounts of assistance to countries with good policies. Strong reform nations received less aid per capita than poor countries with weak policies.

Increasing aid to countries that can use it effectively has very real consequences for the poor. For example,

allocating \$10 billion in aid under a weak system might lift about 7 million people out of poverty each year. But if the same amount of money were targeted to poor countries with sound economic policies, the number of people to leave the ranks of the poor would more than triple, to about 25 million. In good policy environments, aid is a high-return investment.

So why don't countries end foreign aid to poor countries with bad policies? One reason is that donors hope their aid will induce policy reform. Unfortunately, money itself has proved to be quite ineffective in generating reform. Zambia is a typical example. Foreign aid increased steadily, reaching 11 percent of Zambia's GDP in the early 1990s, after adjustment for inflation. Policy, however, got worse throughout this period. Despite a series of loans from the World Bank and the International Monetary Fund, there was no substantial improvement in policy until a new government came to power in Lusaka the early 1990s.

There is a great deal the donor community can do to help the poor and spur reform. In difficult environments, effective assistance must encompass more than just money or projects. It must also focus on ideas or the creation of knowledge. This side of aid is critical for helping countries reform and communities provide public services, such as education, health, and water, most effectively.

Vietnam is an example of how ideas can sometimes work better than money when it comes to generating reform.

Vietnam had poor policies in the mid-1980s and was receiving only a small amount of aid from Western donors, less than 1 percent of GDP.

It initiated a homegrown reform program in the late 1980s, and — with fits and starts — instituted policy innovations that improved incentives for growth. While donors provided very little money in this period, they helped on the "ideas" side. Sweden and the United Nations Development Program provided training and technical assistance; the World Bank gave policy advice.

By 1992, Vietnam's policy environment had improved dramatically, and large-scale financial assistance from donors began to flow in. As a result, Vietnam's poverty rate fell from 55 percent of households in 1992-93 to just 30 percent of households in 1998.

Vietnam's experience is part of a worldwide trend in the 1990s toward economic reform that has enabled a large number of countries to use financial assistance to reduce poverty. It is ironic and tragic that the volume of aid is declining just when the environment for effective aid is improving.

Aid cannot accomplish goals by itself. But when used to champion reform at the local and national level, create the knowledge necessary for effective development, and engage civil society in the reform process, it can dramatically improve the lives of the poor.

The writer, senior vice president and chief economist of the World Bank in Washington, contributed this comment to the International Herald Tribune.

Strong U.S. Presidency Can Make a Difference in Asia

By Tom Plate

LOS ANGELES — Asia, like Bill Clinton, did well last week. For the American people did more than put up a stop sign in front of a Republican Party recklessly eager to impeach the U.S. president.

With nationwide election results that were anything but a resounding Republican endorsement, Americans resuscitated their president's ability to play the role of world leader.

As Mr. Clinton heads for Asia this weekend on a long-planned trip, he will find a region scarcely at ease. Territorial disputes simmer below the surface. Tensions in Indonesia and Malaysia have Singapore's nerves on edge. India's nuclear play has left the subcontinent in turmoil. Although Mr. Clinton's itinerary excludes the Indian subcontinent, Asia will take as much of the politically reborn Mr. Clinton as it can get.

As the Korea Herald editorialized last week: "By skirting the danger of being forced out of office, Clinton will be able to restore his leadership. This will be an encouraging development for many countries

that rely on U.S. leadership to tackle numerous global problems, including the sweeping financial crisis."

The Business Times in Singapore wrote: "The American voters have shown maturity in refusing to give the Republicans the green light they needed to continue focusing the entire nation's attention on the sex and political scandal that has dominated Washington for months on end."

The first overseas test of Mr. Clinton's new muscle will not be long in coming. Next week in Malaysia, the leaders of the Asia-Pacific Economic Cooperation forum convene for their sixth annual summit meeting.

They will be watching Mr. Clinton navigate in a country where the former deputy prime minister and finance minister, Anwar Ibrahim, a champion of good relations with the West, stands trial and where the man who threw him in jail, Prime Minister Mahathir bin Mohamad, has erected a new economic iron curtain to ward off

globalization. Mr. Clinton might have spurned the high-profile APEC get-together altogether. Fortunately, he didn't — just as in June he rightly ignored congressional pressures to cancel his trip to China because of its treatment of political dissidents.

The Anwar controversy aside, serious trade quarrels may erupt at APEC. Japan is raising new objections to the reduction of some trade barriers in economic sectors it sees as vulnerable to foreign competition. That controversy may follow Mr. Clinton to his next stop, Tokyo, where he will find the Japanese establishment, despite the polite veneer, unnerved and introspective.

In a recent speech to a foreign affairs group in Wyoming, the Japanese Embassy press spokesman, Kazuo Kodama, painted a candid picture of a society in the midst of reassessment: "It is clear in retrospect that Japan made mistakes. It failed to brace for the coming waves of globalization in which market forces play a deciding role in the international

competition of goods and services, especially financial ones. There is no denying that while others were working hard to prepare for the coming winter, Japan was basking in the glory of what we thought was a never-ending summer."

Mr. Clinton should find the conversation a little more convivial in South Korea, his next stop after Tokyo.

Seoul is further along on the self-examination road than Tokyo. President Kim Dae-jung is a convert to the inevitability of the forces now raging across borders, a process he terms "universal globalization."

Narrow nationalism is outmoded and parochial protectionism is suicidal, he says: "Even the smallest Korean rural village will have to compete with farmers across the globe. A small factory in a back alley in Korea will have to engage in competition with the same types of plants in every corner of the world."

Mr. Kim has called for an end to the buy-Korean-only nonsense that has typified emotional Korean nationalism at its most

parochial. When has any leader of South Korea ever spoken so plainly to his countrymen?

A strong U.S. presidency is a necessary element of world stability as economic systems undergo these huge shifts. The election results last week helped revive the White House in a way that could prove vital to key allies like South Korea and Japan.

It is also important to non-allies like China, which benefits from a president with the strength to lead public opinion in support of Chinese-American engagement, and India, whose nuclear test program scotched a planned Clinton trip there.

But as Mr. Clinton's decisions to visit Malaysia this weekend and China last June attest, much can be gained when the president himself shows up to wave the American flag. And in India, no less than in China, engagement will produce more than isolation. Mr. Clinton would cap his Asia trip in triumph if he were to add New Delhi to his itinerary in a dramatic last-minute gesture.

—Los Angeles Times

Saddam's Strategy Is to Make Good Use of Clinton's

By William Safire

SAN ANTONIO, Texas — Forget the fascination with America's semiannual military buildup in the Gulf to persuade Saddam Hussein "this time we're really, really serious."

That point has been made with the United Nations' evacuation of employees; it does not want to be chained to suspected anthrax storage sites.

Focus instead on the strategy of both sides.

The Clinton strategy up to now has been to go along with UN appeasement of Saddam to such an extent that even the French got sick of sustained humiliation. The American door-to-door approach — though it has enabled Iraq secretly to steal a march on building terror weapons — is now being presented as having brilliantly "united our allies."

Having been dared by Saddam to launch air strikes, President Bill Clinton has four strategic options:

One is to do nothing, become the world laughingstock, and watch the United Nations go the

way of the impotent League of Nations. Another is to remove Saddam's threat by a second invasion, this time sending up a democratic government in Iraq as America did in 1945 in Germany and Japan. Neither of these options is being considered by this White House.

Instead, we have strategic choice No. 3: "300 pinpricks" to exhibit Washington's extreme irritation. Cruise missiles launched from sea for a couple of weeks, accompanied by film showing the uncanny smartness of U.S. munitions, would be followed by America's unilateral declaration of "mission accomplished" and a promise to annoy Iraq again next year.

The fourth choice is the "degrade his capabilities" option, which seems to be in favor. Use cruise missiles at first to disrupt communications and depress air defenses, then strike with carrier aircraft and heavy bombers from land bases. This would target suspected weapons manu-

facturing sites, tank parking lots and army barracks, similar to the U.S. softening-up air campaign of a decade ago.

The Clinton joint chiefs would claim the United States successfully "degraded" his threat. That military jargon means "temporarily lessened," but by no means "ended."

With a limited air war, the advantage is Iraq's.

Washington would again wait for an internal revolt to topple Saddam (as it has been for Fidel Castro for 40 years). If it does not work out, that is the next U.S. president's problem, though Saddam may then be in a position to reach for his ultimate strategic goal.

What is that goal? And could the incipient aerial punishment help Saddam achieve it?

First, it is to endure and survive. Because the U.S. mission

is limited to punishing but not ending his regime, Saddam is convinced he can absorb the heaviest air attacks with personal impunity. Nor is the United States likely to knock out all his hidden germ, gas and nuclear weapons potential.

Second, counterattack with his people's suffering. He will invite television crews to cover collateral damage to civilians. If necessary, he can set off bombs in children's hospitals and orphanages himself. Filmed atrocities will not only afflict the Americans with self-disgust but bring about an alliance with Iran, which will soon be able to swap its long-range missiles for his warheads.

Finally, make a deal with the UN for limited access by non-American inspectors. Mr. Clinton — branded "baby killer" by Iraqi propagandists — is unlikely to resist, especially if American bombers or helicopters crash or terrorists take allied lives. This will enable Saddam's weapons development to go forward in secrecy

while sanctions are lifted. Within two years, Iraqi oil production will finance purchase of fissile material and missiles.

Although Saddam miscalculated wildly a decade ago, his current strategy takes full advantage of Mr. Clinton's expected decision to wage limited air war with its modest compliance aim. So long as the U.S. purpose is only to "degrade" facilities rather than to replace an aggressive regime, the strategic advantage is his.

His ultimate purpose is to credibly bluff the West into letting him dominate his part of the world. In 2002, he moves on Saudi Arabia. America threatens to invade Iraq. Saddam announces he is ready to risk national suicide by firing a nuclear missile at the United States.

The United States has no missile defense. Does a prudent president let him grab those oil fields, or will Mr. Clinton's successor be forced to gamble a U.S. city on the hope that a homicidal maniac is only bluffing?

—The New York Times

NATO Needs Steadier Legal Footing

Frederick Bonnant

BRUSSELS — The murderous attacks on villages in Kosovo have ceased, negotiations about autonomy have begun, and most urgently of all, refugees are returning home or finding shelter.

With the agreement that brought that about, NATO, under American leadership, has achieved a notable success. But in the process the alliance appears to be appropriating a new role that has serious implications for the future and that will run up against strong opposition in the international community.

Until now, NATO nations had always upheld the sanctity of the international rule of law. In Kosovo, they transgressed it by declaring their readiness to use armed force, without the specific authority of the United Nations Security Council, against a sovereign nation over an internal struggle. Countries in the Balkans and further East, as well as North, look to NATO

rather than to the UN to safeguard their security and to intervene when necessary to sort out their internal troubles. NATO will therefore increasingly feel under pressure to act on its own authority.

This line appears to be U.S. administration policy. It has been strongly advocated recently by Richard Holbrooke who negotiated the Kosovo agreement and who maintains that NATO's action has set a precedent.

In addition, Senator William Roth, Republican of Delaware and president of the North Atlantic Assembly, submitted a report to NATO's parliamentarians, who met in Edinburgh on Monday, contending that NATO could not allow the Security Council to circumscribe its actions.

At NATO itself, where the draft for the new strategic concept is being prepared for

submission to the December meeting of foreign ministers, the United States is pressing for language that would enable the alliance to act without such constraints. Admittedly, the permanent members of the Security Council who have the power to inhibit action were selected half a century ago and may not represent present realities. A case exists, therefore, for a fundamental review.

But the alliance must not simply try to supersede the Security Council. Before embarking on any future action NATO should ensure that it carries world opinion with it. It will need it to establish the legal as well as the moral justification for any rapid intervention in similar cases in the future.

The writer, editorial director of NATO's 16 Nations, an independent military journal, contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: U.S. Space Race

NEW YORK — Mr. Ferdinand W. Peck, Commissioner-General of the United States for the Paris Exhibition of 1900, arrived in St. Louis. In answer to many anxious inquiries as to what he had been able to do in the way of getting space for American exhibitors, he said: "We have a total of 210,000 square feet of space. This is a gain of 25 percent. The area which the United States will occupy in the Exposition now exceeds that of any other foreign country. We have also secured a suitable site for a national building, which will be as large as those of Great Britain and Germany."

1923: Shot in the Leg

SAN FRANCISCO — The way of women is sometimes persuasive, but the way of one thousand co-eds of the University of California was compelling. An-

thorities had the temerity to order the vaccination of all co-eds. Upon being told that their arms would be scratched, one thousand girls stamped their feet and said: "No! we will not submit to such a disfigurement on our arms to be displayed at every ball — but you can vaccinate us on the leg," declared the co-ed spokesman. Now San Francisco physicians have a lively practice in vaccinating girls where the scar will not be seen.

1948: Gallows for Tojo

TOKYO — War-time Premier Hideki Tojo, who led Japan in the second World War, and twenty-four co-defendants were convicted of war crimes by an international tribunal which sentenced Tojo to hang. Six others were condemned to death on the gallows and sixteen sentenced to life imprisonment. The eleven-nation court had sat for more than two and a half years.

Herald Tribune

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OPINION/LETTERS

Forget Impeachment, Indict Clinton Later

By Arlen Specter

WASHINGTON — At all levels of legal, political and intellectual analysis, it is devilishly difficult to decide how to deal with the pending issue of impeaching the president.

Starting with the constitutional interpretation of "other high crimes and misdemeanors," respectable arguments can be made on both sides of whether perjury and/or obstruction of justice, if proved, are impeachable offenses. Most analysts appear to reach their legal conclusions on the side of their political preferences.

The critical determinant in deciding whether to impeach and convict is what is in the national interest. The House and Senate have extensive discretion in deciding what facts warrant the president's removal from office. And both bodies have an absolute duty to proceed in a judicious manner and scrupulously avoid seeking political advantage.

I and many of my colleagues have already said as much, and the American people articulated this sentiment as well in the elections last week.

So where do we go from here? First, the impeachment proceedings must be kept in perspective so that other critical business — health care, education, crime control, foreign policy — remains the top priority.

Second, the president must be held accountable for lying, repeatedly to the American

people, and, beyond that, for perjury and/or obstruction of justice, if proved.

Third, Congress should avoid proceedings that appear destined to produce a stalemate.

Congress should apply those standards and choose the least undesirable of the available alternatives.

Unless other evidence emerges beyond the Starr report, I believe the conventional wisdom is correct that the House is likely to approve articles of impeachment and that the Senate is likely to acquit.

But such impeachment proceedings would be devastating for the country.

The House would be tied up for weeks, if not months, on hearings and floor action. The Senate would then similarly be engaged. The Supreme Court would also be incapacitated because the constitution requires that the chief justice preside when the president is charged.

The president would be focused on his political survival. And, perhaps most important, the country would be totally consumed. The public interest would be better served by leaving the president in office than by distracting the nation with impeachment for much of his remaining term.

Nonetheless, the president must be held accountable for his conduct. I reject a plea bargain for censure as being relatively meaningless even if accompanied by a negotiated fine, loss of pension and forfeiture



by President Bill Clinton of his license to practice law.

Instead, I propose abandoning impeachment and, after the president leaves office, holding him accountable in the same way any other person would be: through indictment and prosecution for any federal crimes established by the evidence.

The Starr report alleges evidence sufficient to establish a prima facie case or probable cause for indictments. The independent counsel, using the foundation he has already built in that report, would have the responsibility to proceed to trial as independent counsels have in other cases.

The matter would then be out of the hands of Congress, to be decided by a court of law, away from public opinion, elections or partisanship.

Though the constitution does not so specify, in my judgment a sitting president cannot be criminally prosecuted. And any criminal prosecution brought after the end of Mr. Clinton's term would be severely prejudicial if the Senate had already found the president "not guilty" or the House had already voted against articles of impeachment.

However, if Congress deliberately avoided impeachment to leave the president open to criminal prosecution, I believe Mr. Clinton would face the distinct possibility of conviction and a jail sentence. My experience as district attorney of Philadelphia convinces me that the issues of character, lying to the American people and putting the country through hell for months would weigh heavily in the sentencing phase after any conviction.

This course — no impeachment proceeding, which the president would be certain to win, and a criminal prosecution, which the president might well lose with a jail sentence — might even induce the president to consider resignation.

If so, I could conceive of a congressionally approved plea bargain in which the president would promptly exit from the White House with his liberty, his pension and our recommendation that he keep his law license. In exchange for giving up the last two years of his presidency, he would avoid criminal prosecution.

I concede that this president seems unlikely to pursue such a course. But if he did, that would be the very best of the undesirable alternatives.

The writer, the senior Republican senator from Pennsylvania, contributed this comment to *The New York Times*.

The War Effort of Filipinos Remains Unrecognized

By Ruth Baja Williams

ALEXANDRIA, Virginia — In 1898, following the Spanish American War, the United States acquired the Philippines as a territory. The archipelago of 7,000 tropical islands, under Spanish rule since the 17th century, was a kind of war booty.

This year the Philippines is commemorating 100 years of independence from Spain, and concurrently, a century of mostly friendly interaction with the United States.

Filipinos have been coming to the United States since the turn of the century. They blend quickly into American

be there soon. Although he could not shoulder a gun, my father was doing his part in the war effort.

The U.S. Army's Philippine Department had taken over all the responsibility for the pay of all inducted Philippine Army units. Filipino servicemen believed that they were part of the U.S. Army.

In 1942 Congress allowed Filipino veterans to become naturalized U.S. citizens as a reward for their service. Filipinos gathered in barber shops to talk of the war effort. The ubiquitous dramatic poster of the fighting Filipino, head bloodied but unbowed, is always in my memory of this time.

On June 22, 1944, the U.S. Congress passed the GI Bill of Rights, which provided full benefits to all who served, regardless of race, color or nationality. Thus, aliens from 66 countries were given full benefits — but, incredibly, not the Filipino veterans. The act allowing Filipino veterans to apply for U.S. citizenship was withdrawn in 1945.

Forty-six years were to pass before anger about the injustice of congressional action toward Filipino veterans would be manifested in the Filipino Veterans Naturalization Bill and a bill seeking benefits for Filipino veterans.

The 102d and the 104th Congresses took no action regarding these bills. The

Side by side, Americans and Filipinos died fighting the Japanese on Philippine soil during World War II.

only action taken this year was a provision of full burial benefits for U.S. citizens who reside in the United States and who were former members of the Philippine Commonwealth Army.

What a pathetic tale of promises made and broken. Meanwhile, 77,000 Filipino veterans are still alive without ever having received the benefits promised to them by President Roosevelt.

They are dying at the rate of five per day. Time is on the side of Congress. If its members wait long enough, eventually no one will be left to compensate.

The author, a freelance writer, contributed this comment to *The Washington Post*.

Developing Countries, Too, Are Fighting Global Warming

By James Gustave Speth

NEW YORK — In the midst of global economic turmoil, scientific projections about the consequences of a warmer planet may seem more remote to countries negotiating a climate change treaty this week in Buenos Aires. Fears that warming temperatures could raise sea levels, alter rainfall patterns and wreak havoc on food production systems could temporarily take a back seat to the social and economic concerns posed by the global financial crisis.

But economic turmoil will eventually settle down, as it has in the past. A change in climate, however, could stay with us for generations. Industrialized countries were correct to assume responsibilities in Kyoto last year to reduce their greenhouse gas emissions. Now they need to ratify and implement their commitments.

It is entirely possible for economies to grow and to provide increased energy services while reducing greenhouse gas emissions and protecting the environment.

Some countries, including China, Mexico, Brazil and Britain, are already taking bold steps to use cleaner energy and improve energy efficiency. Developing countries are doing so to contribute to their own sustainable development. But they need to do more, as do industrialized countries.

It is not true, as some commentators maintain, that developing countries have done little to reduce their emissions. With assistance from organizations such as the United Nations Development Program, they are adopting energy conservation measures and new technologies that could help fuel their development

without contributing to global warming.

A number of developing countries are taking a serious look at expanding renewable energy options to provide electricity to more than 1.5 billion people living outside conventional power grids. In Zimbabwe, for example, an entire solar industry is being created to provide energy services to rural communities. Brazil, a pioneer in the use of ethanol, is developing new methods to harness biomass.

China, home to 21 percent of the world's population, has sharply reduced subsidies for coal and has improved energy efficiency in its industrial sector by modernizing or closing down highly polluting enterprises.

Without these and other actions, China's emissions of carbon dioxide, a principal greenhouse gas, would be 50 percent higher than they are today. China emits 13.5 percent of global carbon dioxide emissions. That is second only to the United States (25 percent), and China has been projected to overtake the United States in carbon dioxide emissions by 2020 at its current rate of economic development. China's accumulated concentrations of carbon dioxide in the atmosphere, however, may not catch up to those of the United States until the middle of the next century.

While some will no doubt use such trends to argue that industrialized countries should not accept new targets for lowering their greenhouse emissions if developing countries do not do the same, the reasoning does not hold water.

Developing countries continue to use far less energy and pollute less than their wealthier counterparts in absolute terms and on a per capita basis. And their lack of access to energy for normal household and productive tasks reinforces the poverty that imprisons more than a billion people.

The United Nations' 1998 Human Development Report estimates that one-fifth of the world's people living in the highest income countries contribute 53 percent of the carbon dioxide emissions that fuel global warming. The poorest fifth contributes just 3 percent. The irony is that the very poor live in the communities that are most vulnerable to coastal flooding and other climate-induced disasters.

With a projected rise in sea level, Bangladesh, for example, could see its land area shrink by 17 percent, although it produces only 0.3 percent of global greenhouse gas emissions. Meanwhile, rainfall is expected to become scarcer in the middle latitudes, where most developing countries are situated. This would have a major impact on their ability to feed themselves in the years ahead.

Developing countries have an important role to play in preventing global warming; they understand the urgency better than most. Wealthier nations also have a powerful incentive to help poorer countries identify and implement new energy options while enacting their own sustainable development programs.

Nations rich and poor need to act out of common interest and common sense. Globally, we breathe the same air, fish in the same oceans and rely on the same

climate systems for our daily bread.

The obstacles lie not with cost or with a lack of options, but rather with the mind-sets of policymakers. This is our major challenge at the Buenos Aires conference.

The writer, administrator of the United Nations Development Program, contributed this comment to *Los Angeles Times*.

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LETTERS TO THE EDITOR

On Stereotyping

Regarding "Celluloid Stereotypes of Islam: Thought-Provoking, or Dangerously Offensive?" (Opinion, Nov. 11) by Ibrahim Hooper: I agree with Mr. Hooper that stereotyping Muslims as terrorists is unfair. I have lived in several Islamic countries and know that the vast majority of Muslims would never condone terrorism. I do find it disconcerting, however, that while so many voices in the Muslim community are raised against external critics, there seems to be almost no condemnation of the fringe elements who

commit acts of terrorism. That some terrorists commit these crimes in the name of Islam should infuriate the majority of Muslims. If anything, it is this lack of outrage toward those who use Islam as a cloak for evil that gives rise to the kind of stereotyping Mr. Hooper finds offensive. Not once in his article did Mr. Hooper condemn Islamic terrorism of any kind. PETER GLENN, London.

Unappealing Army

Regarding "Losing Its Appeal, U.S. Military Fights a Battle for Recruits" (Nov. 4):

A major reason for this is that the U.S. military is less and less the military, and more and more a sociological laboratory. ADDISON VOUGHT, Paris.

No 'Russian Flu'

Stephen Rosenfield writes that "uneared and entirely unfair Russian miseries" include "infection of its would-be foreign investors by the

Asian flu" ("Scaling Down a Grand U.S. Strategy for Russian Democracy," Nov. 9).

In August, Russia defaulted on about \$15 billion worth of bonds held by foreign investors. No resolution has been negotiated. Unsurprisingly, this has stopped foreign capital flows.

Russia's woes are self-inflicted; they are not caused by peripatetic influenza. DANIEL P. JACKSON, London.

Find out how information technology is changing the way automobiles are designed, built, sold and serviced.

Don't miss the 12th in a series of sponsored pages in the IHT on electronic business.

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WORLDWIDE

ERICSSON

Leisure

Khmer's Spectacular Monuments War's End Reopens a Chain of Royal Temples

By Thomas Crampton
International Herald Tribune

PREAH VIHEAR, Cambodia — The surrender of Cambodia's Khmer Rouge guerrillas just a few months ago yielded a little publicized peace dividend to pilgrims and tourists: the reopening of a spectacular monument built by the ancient civilization most famed for constructing Angkor Wat.

Preah Vihear, an extraordinary kilometer of elaborately carved sandstone temples, runs uphill to a cliff overlooking the northern jungle plains of Cambodia.

Within Cambodian territory but accessible only from Thailand, the temple complex is the crowning jewel in a set of monuments that now make northeast Thailand an option for tourists seeking Khmer culture without the worries and dangers of violence-swept modern Cambodia.

For much of the last 30 years, war has kept the temples along the Thai-Cambodian border off-limits to ordinary visitors. Since Preah Vihear reopened in August, Thai monks and tourists have flocked to the mountain each weekend by the thousands — along with a handful of foreigners.

Visitors can park on recently paved roads along the Thai frontier and walk across the stream demarcating Cambodian territory — no visa required — to climb up hundreds of steep stone steps. The legacy of war still lingers in the mountain in the form of several marked minefields, a rusty artillery cannon and a crashed helicopter, but the temple's strategic military location has also helped to preserve it.

As looters stripped and sold carvings, sculptures and decorations from temples nearby, those holding Preah Vihear were always too busy fighting to sell off much of the monument. Calm along the border means that now, in just a few days' driving through northeast Thailand, visitors can explore a multitude of ancient Khmer temples immersed in striking scenery.

From a civilization born along the Mekong River in southern Laos during the sixth century, Khmer god-kings came

to rule a vast swathe of Southeast Asia, stretching from the coast of present-day Vietnam through Cambodia, Laos, Thailand and Burma. The empire's capital, Angkor Wat, sat on the shores of Tonle Sap lake in Cambodia, but a powerful provincial center also spread along the shallow valley of the Mun river, in what is now northeast Thailand.

The main Mun river temple — Phi Mai — was linked to Angkor Wat by the so-called Royal Way, a 225-kilometer (135-mile) route through the jungle marked by more than a dozen ornately decorated way stations, each built at the distance of one day's journey from the next.

More than 300 stone temples were built around the Mun river valley until the entire civilization's mysterious demise consigned them to the jungle nearly half a millennium ago. Angkor Wat burst into the public imagination late last century after French explorers published accounts of their travels through the colonies of Indochina.

But Thailand, the only uncolonized country in Southeast Asia, suppressed the study of cultural connections with its neighbors for fear they could be used as a pretext for territorial encroachment by European powers.

CHALLENGING ASSUMPTIONS

Pieced together by an illustrious line of French archaeologists working at Angkor Wat, the first histories of the Khmer were based entirely on the architectural and decorative styles found in Cambodia. Modern scholarship and recent archaeological finds, however, are challenging old assumptions that the Mun river was a mere provincial backwater to Angkor Wat.

The Si Kheu sandstone quarry, a few hours' drive from Bangkok, is the first of dozens of ancient Khmer sites that can easily stretch the nine-hour drive to Preah Vihear into a leisurely three-day jaunt.

On a low hill alongside the highway, rows of half-hewn blocks seem to await workmen who dropped their tools for lunch only moments earlier, rather than the 500 years the quarry has been abandoned. Many of the blocks, already shaped on the top and along the sides by chisel, are ready to be broken off the

quarry surface by swelling planks of wood wedged under a bottom ledge, an ancient technique used until quite recently in Thai quarries.

Dragged by elephant, boat and man, the rough blocks were placed on top of temple superstructures, usually locally found laterite, before being carved into shape and decorated.

Only two sources of sandstone have been found to serve the hundreds of temples spread across the vast Mun river valley, but no scientific study has been done to conclusively link these quarries to the temples.

A couple more hours' drive beyond the quarry is the Phi Mai National Museum. Formerly just a rusty tin shed set up along the riverbank to protect a few carvings from the rain, it was renovated and expanded several years ago and is now one of the world's great repositories of Khmer antiquities.

Strolling among the museum's well-displayed lintels, visitors can trace Khmer religious history through changing postures of Buddha images and examine ancient sculpture techniques in an unfinished bas-relief carving.

But perhaps the most original exhibit displays artifacts from ancient daily life alongside photographs taken of temple carvings that show the items in use.

Phi Mai temple, around the corner from the museum, is Thailand's most celebrated Khmer ruin.

The only Khmer monument seriously promoted by the government, it underwent a controversial reconstruction before Thailand's first foray into international tourism a decade ago.

Despite being surrounded by a sea of grass cut to putting-green standards, the temple retains its magnificence. Ceremonial snakes slither up the entrance bridge while dancers writhe in wall carvings that lead up to the 28-meter-high conical central tower.

Many Khmer art experts, however, lament the new red sandstone tiles and crenellations affixed to the temple by the government's Fine Arts Department.

"They were in such a rush to get the place ready for tourists that they even copied a Buddha from the wrong century to put inside the temple," said



The Khmer temple at Phnom Ruang, in northeast Thailand, was built from the 10th to 12th century.

Smithi Sriabhadra, guest lecturer at Silpakorn University and one of Thailand's most eminent scholars of Khmer civilization.

Farther along the route toward Preah Vihear, temples vary from the mountain-top Prasat Phnom Ruang, which deserves a visit of several hours, to the small but exquisitely restored Prasat Ban

Phluang, worth about a 20-minute stop. The remnants of a rest stop along the ancient Royal Way can also be seen by making advance arrangements with border police to visit Ta Muen Thom temple.

Surrounded by dense jungle and just a few hundred meters from the Cambodian border, the temple was occupied for decades by Khmer Rouge guerrillas who

colluded with looters to strip it down to the superstructure. Even dynamite was used in some of the more crude efforts to remove delicate stone carvings.

The pillage of Khmer art has much abated in recent years, but freshly stolen pieces still turn up in Bangkok's River City antique stalls, especially around the time of Thai general elections.

DINING



David Sussman

Will Paris Embrace This U.K. Invasion?

By Patricia Wells
International Herald Tribune

PARIS — A diner at my table offered her unsolicited response to the abrasive, deafening, dinner-time noise and chatter that filled the gigantic new Left Bank brasserie, Alcazar: "If I come back, it will be just the two of us, my husband and I. We have been married for 50 years, so if we can't talk to one another for two hours, it's O.K."

The French have been invaded by the British, and only time will tell if Parisians will embrace it. Sir Terence Conran of design fame has bravely and boldly expanded his London dining empire to Paris with his bright, airy, smart and bustling 200-seat brasserie Alcazar. All red, white, black and modern, this brilliantly designed spot is just the sort of injection Conran and others think Paris needs. (Others might argue that the restaurant is little more than a continued internationalization and dumbing down of cuisine, with a Euro-Asian fusion menu that could be served anywhere in the world.)

But Conran is not out to lose. He has chosen Guillaume Lutard (formerly of Taillevent) to man the stoves of the glassed-in kitchen that looks out into the bright, two-story glass-roofed restaurant in a courtyard off Rue Mazarine. The bread comes from the baker of the moment, Eric Kayser on Rue Monge. And Conran made sure that everyone in town knew he was coming: He papered the press with lavish and colorful advertising; invited everyone in the neighborhood to half-price preopening lunches; and held a series of high-profile "soft opening" events before the official start on Nov. 8. Add to

that the fact that the restaurant will be open seven days a week, with a brunch on Sundays, and Alcazar is hard to miss.

While the food breaks no new ground, the menu features typical brasserie platters of fresh oysters and shellfish, as well as largely Mediterranean-inspired menu peppered with saffron, artichoke, goat cheese, fennel, couscous and artichokes. Two preopening meals proved uneven, with excellent fresh Guillaume oysters from Brittany, a fine caramelized puff pastry tart of tomatoes and fresh goat cheese, and a welcoming main course vegetarian platter of braised seasonal vegetables. Far less successful were a misguided puff pastry tart piled high with artichoke and roquet and a gigantic, dry chicken breast stuffed with a bland mixture of foie gras and artichokes. The food lacks any definite focus or personality.

The reason to go to Alcazar is that it offers a change of pace from the standard chouchoute-and-beer brasserie, with a stunning and modern décor, exquisite service from a well-trained and enthusiastic staff, and a place to hang your hat almost any time of day. An upstairs piano bar offers wine by the glass and a brief menu that includes tastes of sushi, oysters, caviar, smoked salmon and foie gras.

The spot, by the way, is the former Alcazar night club, which closed eight years ago. The site began its life in 1850 as a printing plant.

Alcazar, 62 Rue Mazarine, Paris 6; tel: 01-53-10-19-99; fax: 01-53-10-23-23. Open daily until 1 A.M. Credit cards: American Express, Diners Club, Visa. A la carte, 300 to 400 francs (\$53 to \$70).

Malta: Out of a Storybook Into the Present

By Denise Fainberg

VALLETTA, Malta — Like the map of a storybook country: That was my first thought. I was standing on a high cliff on the southwest coast of Malta, looking across the gently tilted landscape toward Valletta, nine miles away. Here and there, the spires and domes of ancient towns rose up. To the north, stood the twin cities of Rabat and Mdina and the turned, square Verdala palace sitting jauntily above Malta's only fortress.

I also noticed there was no shortage of vacation housing lining much of the coast. This was a storybook land that had moved into the present.

Malta is a tiny country, consisting of three islands: Malta, the largest, measures about 27 kilometers by 14 (17 miles); by 9; Gozo, about 13 kilometers by 7; and Comino, between the two, perhaps a square mile. Situated in the Mediterranean between Sicily and Tunisia, this archipelago lies at the crossroads of Europe and Africa. This has meant waves of attack and defense throughout recorded history.

Human habitation goes back 7,000 years, and since most of those humans were technologically adept, virtually every square meter yields evidence. History is thick here, and endurance is a matter of pride.

Valletta, Malta's capital, was a logical jumping-off point. The city dates from the 16th century, after the Turkish siege of 1565. The Knights of St. John, who controlled the island country from 1530 to 1798, held off the invaders and then fortified the magnificent natural harbor, building the new capital at its head. The city one sees today is largely the city that was built then — stern, rectilinear, yet ornate, the skyline set with cupolas. A walk along the city bastions impresses with their sheer mass, and with the strategic situation of its blue, multiple-bayed harbor.

FORTIFIED CITIES

Valletta is walled right around, with bastions named after saints. Across the harbor to the southeast are the equally fortified Three Cities — Senglea, Vittoriosa and Cospicua — while to the northwest is the fashionable suburb of Sliema. Cruise ships and tankers pass in and out, and all around are the elaborate, triple-domed churches. The Baroque in Malta began in the 16th century and seems to have never ended.

In the center of town, St. John's Cathedral resembles a fort. Inside its massive walls, however, every inch is covered with stone carvings, paintings or marble memorial tablets to various Grand Masters of the Order. The cathedral contains a small museum, where the main attractions are two Caravagios: "St. Jerome Writing" and "The Beheading of St. John" (the latter had been sent away for restoration, but a copy hung in its place).

I decided to spend the next day outside in the warm March sun, and took the bus to the suburb of Tarsien, about a half hour in the heavy traffic. Tarsien is home to prehistoric monuments dating from 2500 B.C., discovered at the turn of

the century when farmers jammed their plows on them. Excavations turned up a series of three megalithic temples, built in the curious lobed pattern common to the islands. These were apparently devoted to the worship of an obese goddess: her broken statue is now in a museum, but a copy has been placed at the site. The deity had elephantine legs and tiny feet; stone boxes yielded the remains of thousands of animal sacrifices made to her: sheep, goats, pigs. Later, the place was given over to Bronze Age cremation burials, and later still, to a Roman farm.

Leaving the past behind, I took the

brightly painted in blue, yellow and red, and all but the tiniest have a pair of painted eyes fastened to the bows.

My fancy was tickled by the mysterious tracks at Clapham Junction. Cut into the limestone terrain a few miles west of Rabat, they wander across the landscape, disappearing sometimes under modern structures, over cliffs or even under water. Their origin and purpose are unknown, but most archaeologists agree that they are artificial and that some, at least, connected settlements or water sources.

Here, as elsewhere on the island, there are caves that long served as human

which include a crypt and museum. Here I found a maze of limestone passages, tombs and burial niches in which several hundred people — adults, children and infants — had been interred.

Rabat and neighboring Mdina (formerly one city) also have above-ground attractions. The Museum of Roman Antiquities, built on a Roman villa in Rabat, throws light on Malta's Roman period, 218 B.C. to A.D. 550. Among the exhibits are a stone olive-pitting press, sculptures and inscribed tombstones — including fragments of Muslim tombs, for the site was a cemetery during the Arab period (about 860 to 1091). My visit coincided with the Feast of St. Joseph, Rabat's patron saint, which is celebrated with great fanfare, so I stayed for the afternoon parade of the local band club.

Even more connected with Malta is St. Paul, who was shipwrecked on the island and stayed three months, according to the Acts of the Apostles. Statues of him are everywhere, and his name graces everything from churches to liquor stores — not to mention the monuments at St. Paul's Bay, on the north side, his purported landing spot.

Mdina, the ancient walled capital, is Malta as it was, with late Gothic, Renaissance and early Baroque facades. Here, the March wind tears down the narrow, careless streets, lined with palaces of the old nobility, churches and convents, shops and houses.

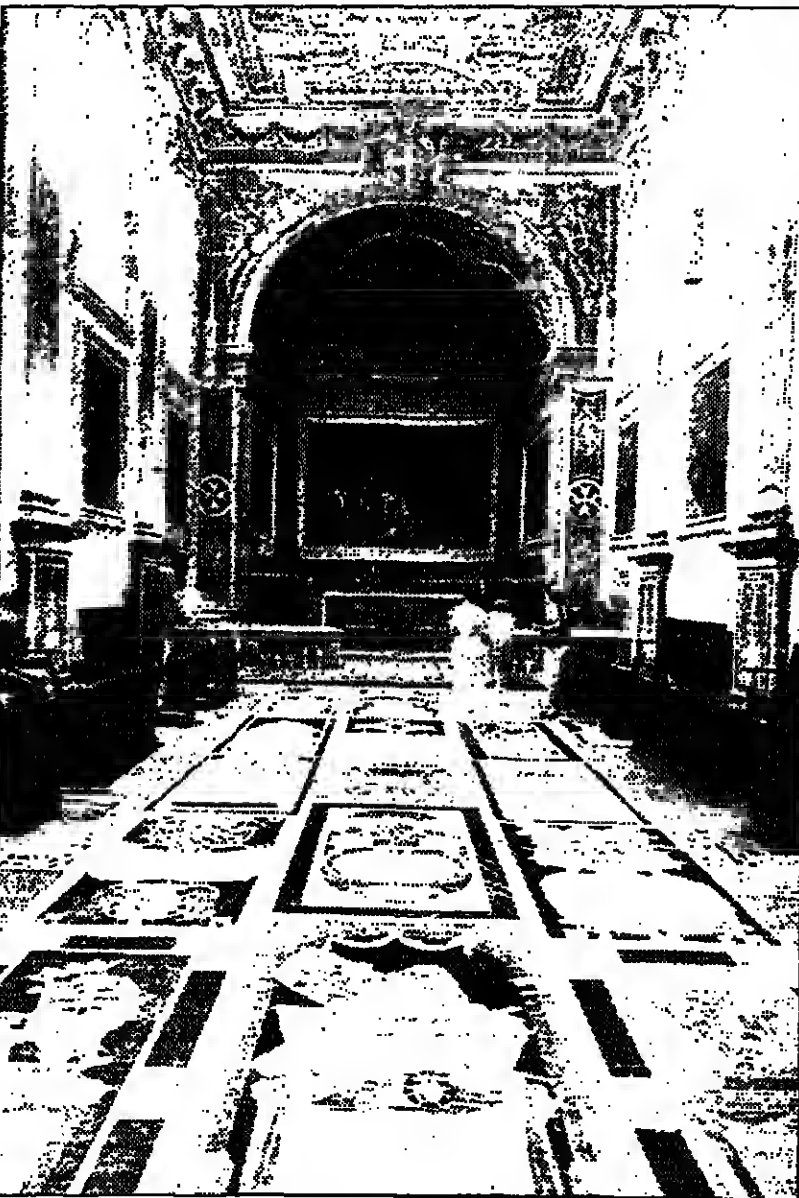
It's called the Silent City, and the silence is more than a lack of noise. There is a broodiness of a place whose history has not been entirely happy; its tight enclosure and blind exteriors seem to distill centuries of siege and occupation. But it casts its spell.

Unfortunately, Malta has not escaped a construction boom — with traffic to match. Much of the countryside is gone, but a trip to Gozo can take you back to a quieter time. Ferries, run by the Gozo Channel Company, cross the narrow strait separating Malta and Gozo several times each day. The trip takes half an hour, and public buses run from the landing to Victoria, Gozo's capital.

Still largely rural, Gozo is the Mediterranean as it used to be: villages perched on hilltops, steep terraced fields and cliffs falling to the sea. It's good walking country — narrow, nearly empty roads pass through quiet towns, and nowhere is very far from anywhere else. I enjoyed several pleasant walks down to the tiny bay at Xlendi, and over cliffs to the red sand beach at Ramla.

To recover from 70 centuries of history, near the end of my visit I took an "undersea safari." Departing from Sliema, the boat Seablow took us a little way outside the harbor. There, passengers were invited down into the glass, where we viewed shimmering fish darting through sea grass and over the clean sea floor. A guide provided commentary in English, German and Dutch. It was a relaxing hour. In Malta, conquerors have come and gone, but the surrounding sea remains much the same.

Denise Fainberg, a teacher and writer in Oregon, wrote this for The New York Times.



St. John's is covered with carvings, paintings and memorial tablets.

same bus line a few miles to Marsaxlokk, on the southeastern coast. The charm of this pretty fishing village is only slightly marred by the large container shipping port visible around the next headland. Cafés and open-air markets share the waterfront with drying fishnets, while *luzzu*, the traditional fishing boats, bob in the harbor. These are supposedly of Phoenician design, having remained unchanged through the millennia but for the addition of inboard motors. The wooden craft are

dwellings. Some are inhabited even today. Ghar Dalam, in the southeast, near the town of Birzebbuga is a meandering limestone cavern with sediments going back thousands of years. The upper layers hold potsherds and bones of domestic animals, evidence of Malta's earliest inhabitants. Below lie fossils of Pleistocene fauna, going back 180,000 years.

Besides the cave dwellings, extensive catacombs have been found, concentrated in the area around Rabat, in central Malta. I visited St. Agatha's catacombs,

THE CAR COLUMN

Highest Tech

When Cost Is No Object: Mercedes

By Gavin Green

BIG luxury sedans are probably the easiest cars in the world to engineer. They are, as near as possible, free from compromise. Pity the poor engineers who conceive small hatchbacks and family sedans!

They have to graft to produce a car whose cost is pared to the nearest cent, producing the use of all sorts of fancy electronic gizmos and mechanical marvels. A family Ford or runabout Renault could not afford the sophistication of the new Mercedes-Benz S-class's electronic air suspension, nor its radar-guided cruise control, nor its voice-activated audio and mobile-phone controls that respond to verbal orders.

The new S-class is, without doubt, the most technologically dense car the world has ever seen. And, as the price does not matter hugely, the Mercedes engineers were able to indulge their fantasies.

Stay too close to the car in front of you and that radar-guided cruise control automatically slows the car, braking if necessary. The air springs lower the car automatically at speed, improving the car's wind-clearing ability and its grip on the road. The new "Keyless Go" system kicks the car key into the trash can of outdated technology. A chip card, carried in a wallet or purse, automatically identifies the user, allowing him or her to gain access simply by pulling the door handle. A button starts the engine. The headlights automatically come on when it's dark, particularly useful when driving through tunnels at speed.

And speed is something at which the S-class excels. On a German autobahn, from the Swiss border to Stuttgart, we powered along at a serene 240 kph (149 mph), pulling in the horizon quietly and effortlessly. At the 110 to 140 kph range more usually found on the world's freeways, the car is operating at only 50 percent capacity. It feels almost insultingly slow. And that's just the V-8 S500 version, as tested. For those who feel that 306 bhp is insufficient, a V-12 S-class will surface in a year. Also on offer is a V-6 and a smaller 4.3-liter V-8.

The new S-class is certainly the most composed, the most refined, the most comfortable, the most effortless in covering distances, and the most thoroughly engineered car there has ever been. Unlike its immediate predecessor, unveiled in



1991, it is also a thing of beauty. It is graceful and is a superb example of a car that looks both modern and traditional.

Despite being smaller than its predecessor, which was criticized for its bulk, the new S is roomier. Comfort is further increased by seats that are ventilated by tiny internal fans and have internal massaging (air cushions slowly inflate and deflate) to prevent backache. These seats, like many of the other Star Wars-type goodies, are options, in the time-honored, you-get-what-you-pay-for Mercedes tradition. If you want to check out what an option-free Mercedes looks like, ride in a German taxi.

Faults? Some of the plastic—look at the stuff clinging to the door sills—is unbecoming in a luxury car and is evidence that there were at least some cost constraints placed on those otherwise heavily indulged engineers. And maybe, just maybe, the steering could be more communicative.

But the only serious turn-off is the price. This will not bother the peers, politicians, princes and plutocrats who make up the car's traditional clientele, who probably don't even bother inquiring about the cost before placing an order. That's the price you pay for letting your engineers have fun.

Mercedes-Benz S500. About \$115,000. V-8 engine, 496cc, 306 bhp. Five-speed automatic transmission, rear-wheel-drive. Top speed: 250 kph (155 mph). Acceleration: 0-100 kph in 6.5 seconds. Average fuel consumption: 14.4 liters/100 km.

Next: Alfa Romeo 166

Gavin Green is the editor in chief of Car magazine.

MOVIE GUIDE

ELIZABETH

Directed by Shekhar Kapur. U.K.

The captivating Cate Blanchett rules England in "Elizabeth" as if the monarch's principal responsibilities were being bejeweled, choosing consorts and saying "Leave us!" with a wave of the hand. This is indeed historical drama for anyone whose idea of history is back issues of Vogue, but "Elizabeth" wants more. This Elizabeth is presented as a glamorously stressed-out modern woman who must cope with a super-intense case of having it all. That the film's Indian director, Shekhar Kapur ("Bandit Queen"), knew nothing about Queen Elizabeth I when he undertook this lavish costume drama only helps to make his Elizabeth that much sassier a sovereign, slouching on her throne. His film concerns itself with elaborate appearances, anachronistically modern flourishes, Roman Catholic-Protestant intrigue, the difficulty of resolving career with personal life and the small matter of Elizabethan history, pretty much in that order. Acknowledging the influence of "The Godfather" on a film that includes its own climactic blood-bath montage, Kapur and the screenwriter Michael Hirsh make spectacle their priority, often at the expense of fact. Opening the film with an aerial shot of Protestant heretics being burned at the stake pretty well establishes that this will not be another staid royal show. And Kapur's lusty, flamboyant approach does suit the story, regal monarch of the film's last scene, Blanchett, who was marvelous in "Oscar and Lucinda," brings spirit, beauty and substance to what might otherwise have been turned into a vacuous role. Still, it's jarring when the queen dances in the midst of admirers as if this were "Saturday Night Fever" or sounds an awful lot like Tootsie when she declares: "I may be a woman, Sir William. But if I choose, I have the heart of a man!" Elizabeth's lover Lord Robert

Dudley (Joseph Fiennes), who would later be stepfather to her lover the Earl of Essex, is seen here as an occasion for scenes of soft-core amour. Her wild suitor the Duc d'Anjou (Vincent Cassel) cross-dresses, while his scheming aunt Mary of Guise (Fanny Ardant) demonstrates how fetching armor can look with a scarf thrown over one shoulder. Kathy Burke rages so vividly as Queen Mary Tudor that it looks as if Charles Laughton had ascended to the English throne. The other players, for whom a scorecard would be helpful, include Geoffrey Rush as the coolly calculating Sir Francis Walsingham, Elizabeth's trusted adviser; John Gielgud as the scheming Pope in a resolutely anti-Catholic drama; Christopher Eccleston as the stern Earl of Norfolk; and Richard Attenborough as the hussybody Sir William Cecil. (Janet Maslin, NYT)

ALICE ET MARTIN

Directed by Andre Techine. France.

In "Alice et Martin," we are supposed to have our eye mostly on Martin (Alexis Loret), a boy who has committed an irreparable deed and runs away from home. A prey to his past, a ghost on the loose, his story builds after he leaves his murky provincial past, for Paris, sharing a small flat with Alice (Julienne Binoche), a violinist, and Benjamin (Mathieu Amalric), Alice's actor roommate, a homosexual. Andre Techine, with Gilles Taurand and Olivier Assayas, wrote the script in deconstructed "modern" backward jumps so that we begin to grasp what this phantom household is about—who is illegitimate, who is related, who is in love with whom—halfway into the movie. Martin the runaway becomes an overnight hit, starting in college ads, outstripping his adopted Parisian family. What makes him more than a pretty face flashing from posters in the Metro is that Alice is drawn to his oddness, on the scent of his repressed guilt, she carries the improbable love story, just as she carries fragile Martin and his secret, the

most interesting thing about him. "Alice et Martin" is Binoche's second film with Techine ("Rendez-vous," 1995, was the first), a return to French film since an Academy Award for her supporting role in "The English Patient." Earthy and ethereal, she makes Alice make sense in a play on reversed roles—actually, Alice is the hero, Martin the swooning heroine. A rooper, a militant for love and truth, she gives the part a human, maternal dimension few soldiers, and few actresses, display. (Joan Dupont, IHT)

ORGASMO

Directed by Trey Parker. U.S.

"Batman" meets "Boogie Nights" via Hong Kong-style kung fu in "Orgasmo." Trey Parker's flat-as-a-pancake spoof of superheroes, the pornography industry and religious conservatives. In writing and directing "Orgasmo," Parker, a creator of the TV show "South Park," faced an insoluble problem: How do you make a boundary-shattering, gross-out farce about the porn business that isn't itself pornography? Having the actors wear silly costumes embellished with sex toys just won't do the trick. Parker, who was one of the great minds behind the slightly more amusing "Basketball," stars as Joe Young, a squeaky-clean Mormon missionary doing door-to-door religious salesmanship on the streets of Los Angeles. Barging onto the set of an X-rated film-in-progress one afternoon, Joe fends off some menacing guards with an impressive martial arts display that prompts the movie's producer, Maxxx Orblson (Michael Dean Jacobs), to make Joe an offer he can't refuse: \$20,000 for two days' work if Joe will step into the role of the movie's comic superhero. Captain Orgasmo. Late in the movie, nice, sweet blushing Joe gets to splutter, "I'm not a superhero, I'm a Latter-day Saint!" It's the film's one genuinely witty line. (Stephen Holden, NYT)

ARTS GUIDE

BRITAIN

LONDON
National Gallery, tel: (171) 747-2895, open daily, to Jan. 31; "Luca Signorelli in Britain Collection," A collection of works by Signorelli (1441-1523), a pupil of Piero della Francesca. Features paintings as well as nude studies in black chalk.
www.nationalgallery.org.uk

FRANCE

PARIS
Musee Carnavalet, tel: 01-42-72-21-13, closed Mondays, To Feb. 14; "Le Vieux-Musee en Photos," Moscow at the end of the 19th century and the beginning of the 20th century—its people, buildings, ceremonies, the floods of 1908 and daily events—as seen through the eyes of Russian photographers.

GERMANY

DUSSELDORF
Kunsthalle Dusseldorf, tel: (211) 899-6243, closed Mondays; To Jan. 24; "Alexander Rodchenko," 70 traces the Russian artist's career from his leadership of the Moscow avant-garde to the marginalization of his art under Stalin's

dictatorship. Includes paintings, sculptures, drawings, collages and photography.

ITALY

ROME
Palazzo Ruspoli, tel: (6) 887-4704, open daily, To Jan. 15; "Alla Scoperta del Barocco Italiano: La Collezione Daniele Micheli," From the collection of the art historian, a small selection of 16th- and 17th-century paintings by Guido Reni, Annibale Carracci, Luca Giordano and Il Guercino.
www.palazzoruspoli.it

JAPAN

SAKURA, CHIBA PREFECTURE
Kawamura Memorial Museum of Art, tel: (43) 499-21-31, closed Mondays and Tuesdays, To Dec. 6; "Is This Art?" The old question is approached with an exhibition of 40 works, ranging from a painting by Magritte to a urinal by Marcel Duchamp and a chocolate fountain by Helen Chadwick.
www.kdc.co.jp

SOUTH KOREA

SEOUL
War Museum, tel: (2) 702-3032, To Nov. 29; "Searching for Parnas,"

Documents the forgotten kingdom of Parnas that ruled over Manchuria and northern Korea from the end of the seventh century until 926. More than 100 objects and a recently excavated fresco attest to the culture and the ways of life of the people of ancient Parnas.

SWITZERLAND

GENEVA
Cabinet des Estampes, tel: (22) 418-2770, closed Mondays, To Dec. 20; "Pierre Alechinsky," While the painter and graphic artist is usually associated with expressionism and color, he also experimented with calligraphy. The works exhibited here mix writing and drawing, humor and poetry.

UNITED STATES

NEW YORK
Metropolitan Museum of Art, tel: (212) 570-3951, closed Mondays; To Jan. 24; "Mary Cassatt: Drawings and Prints," An American artist in search of the European artistic experience, Cassatt (1844-1926) settled in Paris in 1875. Using the Impressionist technique, she often depicted women and nurses tending to children. This selection of 200 prints shows her

command of drypoint, aquatint and soft-ground etching techniques.

CLOSING SOON

ASIA
Nov. 15: "The Sanbui Tang Collection of Masterworks by Ting Yu Yung," Art Gallery, Chinese University, Hong Kong.
Nov. 15: "Masterworks from the Carmen Thyssen-Bornemisza Collection," Takaoaka Municipal Art Museum, Takaoaka, Japan.

EUROPE
Nov. 15: "Buddhist Arts of the Edo Period (1800-1868)," British Museum, London.
Nov. 15: "Herbstwind in den Kellern," Japanese art on the theme of autumn wind in the pines. Museum fur Ostasiatische Kunst, Cologne.
Nov. 15: "Gauguin and the School of Pont-Aven," Kunsthalle der Hypo-Kulturstiftung, Munich.
Nov. 15: "Gerhard Richter: Paintings and Drawings," Kunstmuseum, Winterthur, Switzerland.
Nov. 15: "The Dashing Eye," Moderna Museet, Stockholm.
Nov. 15: "Drawing Is Another Language," Kunstmuseum, Winterthur, Switzerland.

Compiled by Elisabeth Hopkins

BOOKS

THE STORY OF AMERICAN FREEDOM

By Eric Foner. Illustrated. 422 pages. \$27.95. W.W. Norton.

Reviewed by Richard Bernstein

IN 1792, fearing the emergence of a monarchical presidency, Congress directed that the new American nation's first coins display not the head of the president but "an impression emblematic of liberty, with an inscription of the word Liberty" stamped upon them.

A decade later, when Thomas Jefferson effected the Louisiana Purchase, he referred to the enlarged country as "the Empire of Liberty." And three generations after that, at the height of the Civil War, Abraham Lincoln said of both sides: "We all declare for Liberty, but in using the same word we do not all mean the same thing."

Freedom has always been the American religion, but, as Lincoln said, the concept has meant different things at different times to different

groups. The competing definitions are closely described in the new book by Eric Foner, a Columbia University historian. "The Story of American Freedom" is a re-telling of American history, from the Revolutionary War to the Reagan revolution, organized around the concept of freedom, its meaning and the way that meaning has been manipulated, argued and transformed.

The history of freedom, Foner writes, is "a tale of debates, disagreements and struggles rather than a set of timeless categories or an evolutionary narrative toward a preordained goal."

That statement is no doubt true and worth remembering as one reads Foner's well-informed and scrupulously balanced book. And yet there is something doubtful rather than inspired about Foner's writing and his approach, which, despite the author's claim to have taken a fresh look at American history, comes across as a bit familiar.

It seems rather obvious, for example, that a history in-

cluding the Civil War, Reconstruction, Jim Crow, and the denial until after World War I of the vote to women, never reflected liberty as an immutable principle. Despite that, and despite a certain blandness in the writing—freedom as a matter of "divergent connotations and applications," for example—and despite the abstractness of his approach, Foner has written an instructive book on the spirit of American political life.

Foner examines each major period of American history, isolating the concept of freedom that prevailed at the time, demonstrating how the concept was either challenged or reinforced.

He treats the Revolutionary War, for example, as a seminal episode that did far more than simply win independence for the colonies and create a nonmonarchical republic. The roots of American freedom lay in the former mother country, but "its emergence as a new and distinct ideology grew out of the struggle for indepen-

dence and the creation of a nation-state that defined itself, in James Madison's words, as the "workshop of liberty to the Civilized World."

The great national hypocrisy was slavery and, after slavery, the institutionalized racism that persisted until after the first half of the 20th century.

Foner shows what seems extraordinary now, that the debate over slavery was to a degree a contest between alternate concepts of freedom, one stressing the rights of all to be free and the other the supposed normal hierarchy of human society in which some were naturally subordinate to others. Foner's examples of the effect that slavery had on American practices and vocabulary are among the book's most fascinating passages.

Reading "The Story of American Freedom," one is grateful for Foner's clarity and knowledge even while wishing that he had been conceptually bolder and more outspoken about his passions and less dutifully respectful of so many points of view, including those he clearly does not agree with.

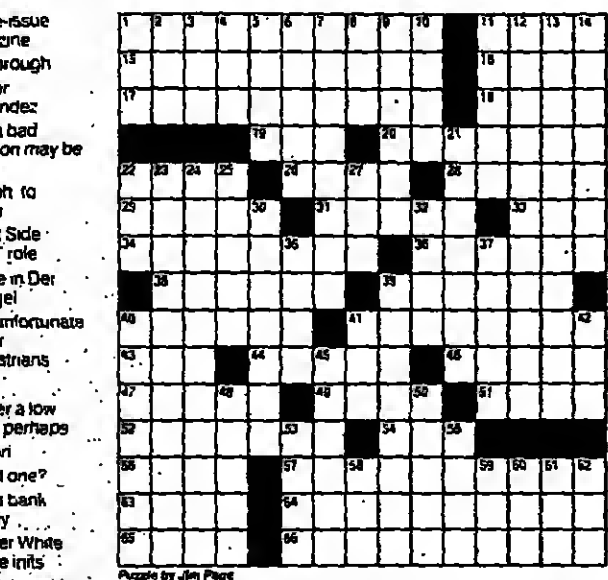
New York Times Service

CROSSWORD

No. 1113

- ACROSS**
- One with a lot of German cars
 - 1967 folk album
 - Pen problem
 - Nod resident
 - 1997 Grammy winner for Best Musical Show
 - Queen's residence
 - Soft shoe
 - Durran, inhabitants
 - Sectional, e.g.
 - Reporter's word
 - Undergrad course
 - Three czars
 - 31 Bridgeford, to Jane
 - 32 "Flower Drum Song" actor
 - 34 Imp
 - 35 "You heard"
 - 36 Globetrotter
 - 37 Ion of tennis
 - 38 It may be turned
 - 41 Breaks
 - 43 My follower
 - 44 Conservatism icon
 - 46 Some designer dresses
 - 47 "Girls Go" (1948 musical)
 - 49 Bank arms
 - 51 Demolition compounds
 - 52 Substituting for in poetry
 - 54 Federal agency, 1946-75
 - 58 Overlook
 - 57 Capitol
 - 63 Drooping
 - 64 Overseas trade center
 - 65 Dict. offerings
 - 66 Chop shop supply

- DOWN**
- 1 Financing abbr.
 - 2 Sch. in Kingston
 - 3 Army gys
 - 4 Expert finish
 - 5 Rice housing
 - 6 What loudspeaker do
 - 7 Tick, for one
 - 8 Water-s McLean
 - 9 Terenary Period part
 - 10 U.S. 1 and others
 - 11 Flu symptoms
 - 12 Summer in southern Asia
 - 13 Special radio offering
 - 14 Single-issue magazine
 - 21 Plan through
 - 22 Pitcher
 - 23 Fernandez
 - 25 How a bad decision may be made
 - 26 Joseph to Jacob
 - 27 "West Side Story" role
 - 27 Article in Der Spiegel
 - 30 Like unfortunate writer
 - 32 Hot
 - 35 Deliver a low blow perforce
 - 37 Cat on
 - 38 Walrus one?
 - 40 Blood bank supply
 - 41 Former White House intls
 - 42 S.D.S. target
 - 43 Exalt
 - 44 Padlock parts
 - 46 Part of a Tommy tune
 - 53 Medical suffixes
 - 55 React to exposure, maybe
 - 56 Rome's Paris
 - 58 At labor



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Friendships
every Saturday
in The Intermarket

BRIDGE

By Alan Truscott

A PLAYER who has written extensively about deceptive plays encountered a new one on the diagrammed deal, played in September at the Beverly Club, 150 Central Park South in Manhattan. South reached four hearts after West had overcalled in

spades, and won the opening club lead in dummy.

The key to the hand is the play of the trump suit. If an honor falls from West, the principle of restricted choice suggests playing East for the other honor. So after ruffing a club at the second trick and playing the heart ace, South intended to cross to the diamond jack to take the trump finesse. That would have produced an overtrick.

But an odd thing happened. When a diamond was led, the ten appeared from West. This was an imaginative attempt to convince the declarer that West was short in diamonds, and it succeeded totally. South was now less inclined to take the heart finesse.

After winning with the diamond jack, he ruffed dummy's last club. West was unable to overtrick, so the trump position was clear: South cashed the diamond ace and the ending was: South ruffed a diamond winner in order, finally, to take the heart finesse. But

East overtruffed and led a spade, giving the defense two spade tricks and a spade ruff for down one.

The expert on deceptive maneuvers was Barry Rigal, playing with Beverly Perry. But he was not the deceiver, but instead the victim in the South seat. The deceptive play by West was created by Florence Rowe Libin, playing with Donna Wattman. Rigal congratulated Libin, and noted her imaginative effort for his next book.

NORTH

♠ 10 7 4 3
♥ 10 9 8 2
♦ 9
♣ A J 10

WEST

♠ A Q J 5
♥ 10 9 8 3 2
♦ 10 8 5 3 2
♣ 9 2

EAST

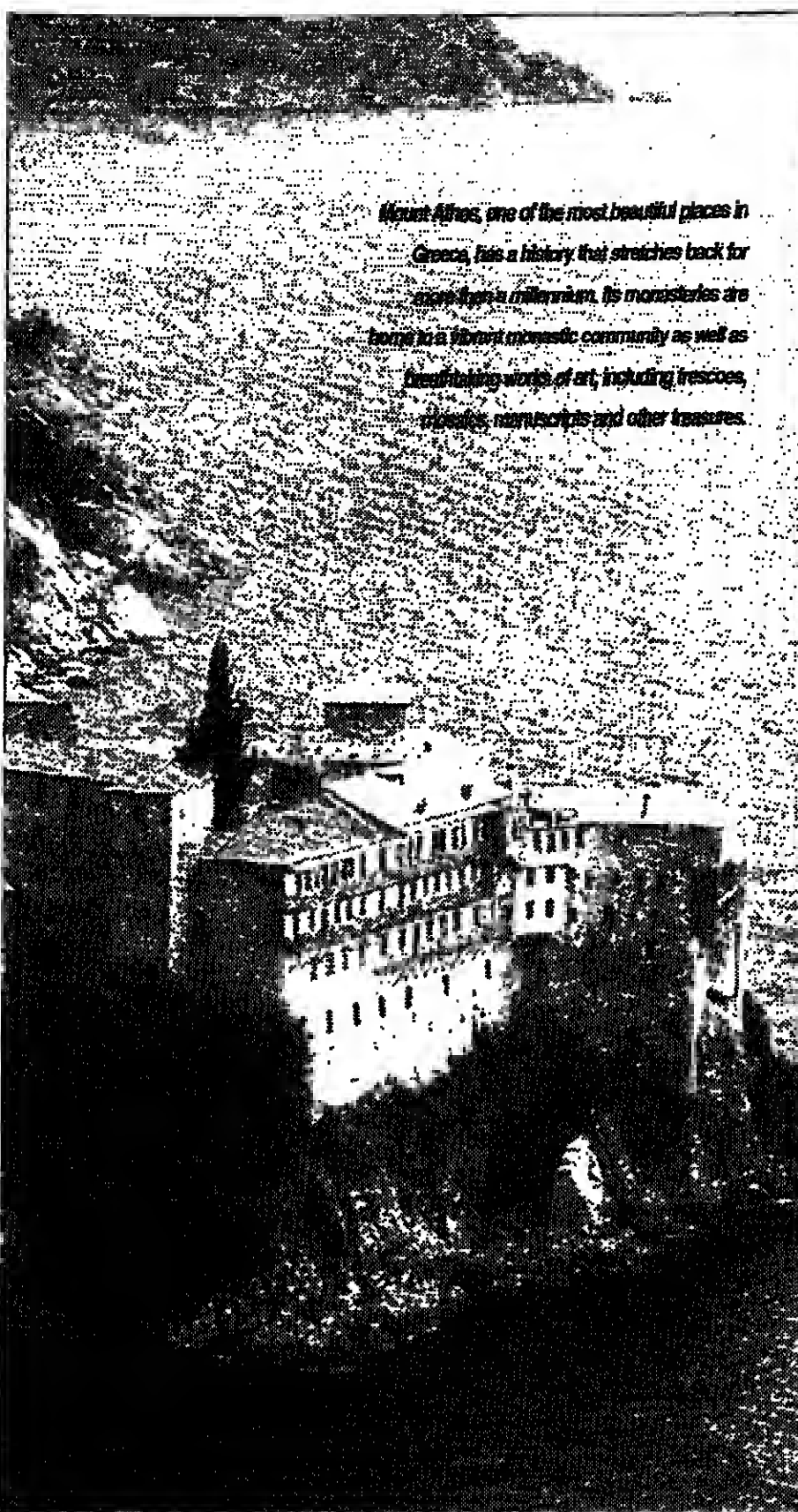
♠ 7 4 3
♥ 7 4 3
♦ 6 4
♣ K 8 7 6 4 3

SOUTH (D)

♠ K 8 8
♥ A K 8 5
♦ A K Q 7
♣ 5

Neither side was vulnerable. The bidding: South: West: North: East: 1 ♠ 1 ♠ 2 ♠ 2 ♠ 3 ♠ 3 ♠ 4 ♠ 4 ♠ 5 ♠ 5 ♠ 6 ♠ 6 ♠ 7 ♠ 7 ♠ 8 ♠ 8 ♠ 9 ♠ 9 ♠ 10 ♠ 10 ♠ 11 ♠ 11 ♠ 12 ♠ 12 ♠ 13 ♠ 13 ♠ 14 ♠ 14 ♠ 15 ♠ 15 ♠ 16 ♠ 16 ♠ 17 ♠ 17 ♠ 18 ♠ 18 ♠ 19 ♠ 19 ♠ 20 ♠ 20 ♠ 21 ♠ 21 ♠ 22 ♠ 22 ♠ 23 ♠ 23 ♠ 24 ♠ 24 ♠ 25 ♠ 25 ♠ 26 ♠ 26 ♠ 27 ♠ 27 ♠ 28 ♠ 28 ♠ 29 ♠ 29 ♠ 30 ♠ 30 ♠ 31 ♠ 31 ♠ 32 ♠ 32 ♠ 33 ♠ 33 ♠ 34 ♠ 34 ♠ 35 ♠ 35 ♠ 36 ♠ 36 ♠ 37 ♠ 37 ♠ 38 ♠ 38 ♠ 39 ♠ 39 ♠ 40 ♠ 40 ♠ 41 ♠ 41 ♠ 42 ♠ 42 ♠ 43 ♠ 43 ♠ 44 ♠ 44 ♠ 45 ♠ 45 ♠ 46 ♠ 46 ♠ 47 ♠ 47 ♠ 48 ♠ 48 ♠ 49 ♠ 49 ♠ 50 ♠ 50 ♠ 51 ♠ 51 ♠ 52 ♠ 52 ♠ 53 ♠ 53 ♠ 54 ♠ 54 ♠ 55 ♠ 55 ♠ 56 ♠ 56 ♠ 57 ♠ 57 ♠ 58 ♠ 58 ♠ 59 ♠ 59 ♠ 60 ♠ 60 ♠ 61 ♠ 61 ♠ 62 ♠ 62 ♠ 63 ♠ 63 ♠ 64 ♠ 64 ♠ 65 ♠ 65 ♠ 66 ♠ 66 ♠ 67 ♠ 67 ♠ 68 ♠ 68 ♠ 69 ♠ 69 ♠ 70 ♠ 70 ♠ 71 ♠ 71 ♠ 72 ♠ 72 ♠ 73 ♠ 73 ♠ 74 ♠ 74 ♠ 75 ♠ 75 ♠ 76 ♠ 76 ♠ 77 ♠ 77 ♠ 78 ♠ 78 ♠ 79 ♠ 79 ♠ 80 ♠ 80 ♠ 81 ♠ 81 ♠ 82 ♠ 82 ♠ 83 ♠ 83 ♠ 84 ♠ 84 ♠ 85 ♠ 85 ♠ 86 ♠ 86 ♠ 87 ♠ 87 ♠ 88 ♠ 88 ♠ 89 ♠ 89 ♠ 90 ♠ 90 ♠ 91 ♠ 91 ♠ 92 ♠ 92 ♠ 93 ♠ 93 ♠ 94 ♠ 94 ♠ 95 ♠ 95 ♠ 96 ♠ 96 ♠ 97 ♠ 97 ♠ 98 ♠ 98 ♠ 99 ♠ 99 ♠ 100 ♠ 100 ♠ 101 ♠ 101 ♠ 102 ♠ 102 ♠ 103 ♠ 103 ♠ 104 ♠ 104 ♠ 105 ♠ 105 ♠ 106 ♠ 106 ♠ 107 ♠ 107 ♠ 108 ♠ 108 ♠ 109 ♠ 109 ♠ 110 ♠ 110 ♠ 111 ♠ 111 ♠ 112 ♠ 112 ♠ 113 ♠ 113 ♠ 114 ♠ 114 ♠ 115 ♠ 115 ♠ 116 ♠ 116 ♠ 117 ♠ 117 ♠ 118 ♠ 118 ♠ 119 ♠ 119 ♠ 120 ♠ 120 ♠ 121 ♠ 121 ♠ 122 ♠ 122 ♠ 123 ♠ 123 ♠ 124 ♠ 124 ♠ 125 ♠ 125 ♠ 126 ♠ 126 ♠ 127 ♠ 127 ♠ 128 ♠ 128 ♠ 129 ♠ 129 ♠ 130 ♠ 130 ♠ 131 ♠ 131 ♠ 132 ♠ 132 ♠ 133 ♠ 133 ♠ 134 ♠ 134 ♠ 135 ♠ 135 ♠ 136 ♠ 136 ♠ 137 ♠ 137 ♠ 138 ♠ 138 ♠ 139 ♠ 139 ♠ 140 ♠ 140 ♠ 141 ♠ 141 ♠ 142 ♠ 142 ♠ 143 ♠ 143 ♠ 144 ♠ 144 ♠ 145 ♠ 145 ♠ 146 ♠ 146 ♠ 147 ♠ 147 ♠ 148 ♠ 148 ♠ 149 ♠ 149 ♠ 150 ♠ 150 ♠ 151 ♠ 151 ♠ 152 ♠ 152 ♠ 153 ♠ 153 ♠ 154 ♠ 154 ♠ 155 ♠ 155 ♠ 156 ♠ 156 ♠ 157 ♠ 157 ♠ 158 ♠ 158 ♠ 159 ♠ 159 ♠ 160 ♠ 160 ♠ 161 ♠ 161 ♠ 162 ♠ 162 ♠ 163 ♠ 163 ♠ 164 ♠ 164 ♠ 165 ♠ 165 ♠ 166 ♠ 166 ♠ 167 ♠ 167 ♠ 168 ♠ 168 ♠ 169 ♠ 169 ♠ 170 ♠ 170 ♠ 171 ♠ 171 ♠ 172 ♠ 172 ♠ 173 ♠ 173 ♠ 174 ♠ 174 ♠ 175 ♠ 175 ♠ 176 ♠ 176 ♠ 177 ♠ 177 ♠ 178 ♠ 178 ♠ 179 ♠ 179 ♠ 180 ♠ 180 ♠ 181 ♠ 181 ♠ 182 ♠ 182 ♠ 183 ♠ 183 ♠ 184 ♠ 184 ♠ 185 ♠ 185 ♠ 186 ♠ 186 ♠ 187 ♠ 187 ♠ 188 ♠ 188 ♠ 189 ♠ 189 ♠ 190 ♠ 190 ♠ 191 ♠ 191 ♠ 192 ♠ 192 ♠ 193 ♠ 193 ♠ 194 ♠ 194 ♠ 195 ♠ 195 ♠ 196 ♠ 196 ♠ 197 ♠ 197 ♠ 198 ♠ 198 ♠ 199 ♠ 199 ♠ 200 ♠ 200 ♠ 201 ♠ 201 ♠ 202 ♠ 202 ♠ 203 ♠ 203 ♠ 204 ♠ 204 ♠ 205 ♠ 205 ♠ 206 ♠ 206 ♠ 207 ♠ 207 ♠ 208 ♠ 208 ♠ 209 ♠ 209 ♠ 210 ♠ 210 ♠ 211 ♠ 211 ♠ 212 ♠ 212 ♠ 213 ♠ 213 ♠ 214 ♠ 214 ♠ 215 ♠ 215 ♠ 216 ♠ 216 ♠ 217 ♠ 217 ♠ 218 ♠ 218 ♠ 219 ♠ 219 ♠ 220 ♠ 220 ♠ 221 ♠ 221 ♠ 222 ♠ 222 ♠ 223 ♠ 223 ♠ 224 ♠ 224 ♠ 225 ♠ 225 ♠ 226 ♠ 226 ♠ 227 ♠ 227 ♠ 228 ♠ 228 ♠ 229 ♠ 229 ♠ 230 ♠ 230 ♠ 231 ♠ 231 ♠ 232 ♠ 232 ♠ 233 ♠ 233 ♠ 234 ♠ 234 ♠ 235 ♠ 235 ♠ 236 ♠ 236 ♠ 237 ♠ 237 ♠ 238 ♠ 238 ♠ 239 ♠ 239 ♠ 240 ♠ 240 ♠ 241 ♠ 241 ♠ 242 ♠ 242 ♠ 243 ♠ 243 ♠ 244 ♠ 244 ♠ 245 ♠ 245 ♠ 246 ♠ 246 ♠ 247 ♠ 247 ♠ 248 ♠ 248 ♠ 249 ♠ 249 ♠ 250 ♠ 250 ♠ 251 ♠ 251 ♠ 252 ♠ 252 ♠ 253 ♠ 253 ♠ 254 ♠ 254 ♠ 255 ♠ 255 ♠ 256 ♠ 256 ♠ 257 ♠ 257 ♠ 258 ♠ 258 ♠ 259 ♠ 259 ♠ 260 ♠ 260 ♠ 261 ♠ 261 ♠ 262 ♠ 262 ♠ 263 ♠ 263 ♠ 264 ♠ 264 ♠ 265 ♠ 265 ♠ 266 ♠ 266 ♠ 267 ♠ 267 ♠ 268 ♠ 268 ♠ 269 ♠ 269 ♠ 270 ♠ 270 ♠ 271 ♠ 271 ♠ 272 ♠ 272 ♠ 273 ♠ 273 ♠ 274 ♠ 274 ♠ 275 ♠ 275 ♠ 276 ♠ 276 ♠ 277 ♠ 277 ♠ 278 ♠ 278 ♠ 279 ♠ 279 ♠ 280 ♠ 280 ♠ 281 ♠ 281 ♠ 282 ♠ 282 ♠ 283 ♠ 283 ♠ 284 ♠ 284 ♠ 285 ♠ 285 ♠ 286 ♠ 286 ♠ 287 ♠ 287 ♠ 288 ♠ 288 ♠ 289 ♠ 289 ♠ 290 ♠ 290 ♠ 291 ♠ 291 ♠ 292 ♠ 292 ♠ 293 ♠ 293 ♠ 294 ♠ 294 ♠ 295 ♠ 295 ♠ 296 ♠ 296 ♠ 297 ♠ 297 ♠ 298 ♠ 298 ♠ 299 ♠ 299 ♠ 300 ♠ 300 ♠ 301 ♠ 301 ♠ 302 ♠ 302 ♠ 303 ♠ 303 ♠ 304 ♠

SPONSORED PAGE



Mount Athos, one of the most beautiful places in Greece, has a history that stretches back for more than 1,000 years. Its monasteries are home to a vibrant monastic community as well as breathtaking works of art, including frescoes, mosaics, manuscripts and other treasures.

"DESTINATION GREECE: DOORWAY TO MONASTERIES" was produced in its entirety by the Advertising Department of the International Herald Tribune. WRITER: John Rigos in Athens. PROGRAM DIRECTOR: Bill Mahler.

DESTINATION GREECE DOORWAY TO MONASTERIES

MOUNT ATHOS: A THOUSAND YEARS OF FAITH

From the age of Byzantium to the modern era, the history of Mount Athos — the Holy Mountain — mirrors that of Greece itself.

In 1963, the late Greek Orthodox Ecumenical Patriarch Athenagoras went to Mount Athos, a long narrow peninsula in Northern Greece, to celebrate the 1,000th anniversary of the first major monastic establishment on the Holy Mountain, founded by Saint Athanasios the Athonite.

By Athanasios's time, Mount Athos was already a favorite retreat for monks seeking an isolated place for meditation and prayer. Monks from Athos's early monastic community participated in the Council of 843 convened by Empress Theodora of Byzantium.

It was not until 963, however, that Athanasios, friend and confessor of Emperor Nikephoros Phokas, founded the famous monastery of the Great Lavra with funds provided by the emperor himself. Later emperors also supported the monasteries, granting them autonomy and self-government and banning women from their grounds.

Last month, the current Ecumenical Patriarch Bartholomew sailed from Istanbul to Mount Athos to officiate at the ceremonies marking the 1,000th anniversary of the Xenofonto monastery, founded in 998 by a monk named Xenophon. Greek Prime Minister Costas Simitis and several members of his cabinet, Governor Stavros Psycharis of Mount Athos, Archbishop Christodoulos of Greece and other religious dignitaries participated in the celebration.

In 1963, the monastic state of Mount Athos seemed to have completed its life cycle.

but 1998 finds it not only surviving but flourishing. In 1963, writes George I. Mantzaridis, a specialist on monastic life in Greece, "the numbers of monks had fallen considerably and their average age was over 55."

This was not the first time in its history that Mount Athos had shown signs of decline. Raided by the Crusaders who captured Constantinople in 1204, it was ransacked by Catalan mercenaries of the Byzantine emperors 50 years later and passed under the Ottoman yoke after the fall of Constantinople to the Turks in 1453.

Sultan Murat II, who captured Thessalonica, and Sultan Mehmet II, the conqueror of Constantinople, recognized the Athos monasteries' status and confirmed their independence with official *firmans*, as Ottoman laws were called. The *firmans* referred to Athos as "the country in which day and night the name of God is revered" and as "a refuge for the needy and for travelers."

Starting in the 12th century, monks from Serbia, Bulgaria and Romania also flocked to Mount Athos.

During the first centuries of the Ottoman occupation, the heavy taxation imposed by the Ottomans and the confiscation of the monasteries' estates created an economic crisis that led to the depopulation of Athos.

During this period, the monasteries benefited from other new protectors and supporters: Russian czars and Hungarian and Romanian princes.

In the late 17th and 18th

centuries, Mount Athos became not only the spiritual but also the educational center of Greece, with scholars and intellectuals turning its monasteries into educational institutions. The best-known school on Mount Athos was the Athonite Academy near the monastery of Vatopedi.

It attracted famous teachers like Eugenios Voulgaris, Athanasios Parios and Thomas Aitolos, who through their teachings prepared the nation for its rebirth. Kosmas Lavriotis, a monk at the Great Lavra monastery, set up the first printing press in Greece there.

During the Greek War of Independence (1821), Mount Athos was almost abandoned by its monks, many of whom left to join the fight for freedom. Those who remained were persecuted for harboring patriots.

Center of culture

Following Greek independence, Athos underwent a period of development during the late 19th century, when almost 20,000 monks filled its monasteries and other establishments. This was followed by a period of decline that began just after World War I and ended only in the 1970s.

"A curious change started at this period in the 'Garden of the Virgin,' as the monks call Mount Athos," writes Mr. Mantzaridis. After a half century of constant decline, the monks on Athos numbered 1,145 in 1971. A year later, one more monk arrived, and as the years went by, more followed.

By 1996, 1,036 new

monks had joined the old-timers. Significantly, most of the new monks were young and well-educated.

"The number of monks on Mount Athos is rising in inverse proportion to their average age, because almost all the recent arrivals are young men," writes Mr. Mantzaridis. "Most of the monks today are aged between 31 and 40." In addition, 343 monks (27 percent) have university degrees.

"What is encouraging is that young men dedicate themselves to monastic life and to the survival of the religious and national traditions," says Father Ioannis, chief secretary of the Holy Assembly, which runs the affairs of the monastic state. He connects the higher level of education of the new monks to the improvement of educational standards in Greece.

Today, there are 20 large monasteries and their dependencies: 12 smaller monasteries known as "sketes," as well as several "kellia" or small huts, where one to three monks live in complete isolation.

The monasteries are governed by the Holy Community, which consists of representatives of the 20 monasteries, but executive authority is exercised by a committee of four overseers, elected from the Holy Community and called the Holy "Epistasia." The governing body of the monastic state is based in Karyes, a small monastic village that acts as the capital of the state. Karyes is also the seat of the civil governor of Mount Athos, who is appointed by

the Greek government and reports to the Ministry of Foreign Affairs. The Greek government is also responsible for order and security.

Both Greek and foreign visitors have to obtain a permit from the Ministry of Foreign Affairs or the Ministry of Macedonia and Thrace to enter Athos.

Greece's accession to the European Union has naturally posed some questions concerning the unique way of life on the Holy Mountain. These were resolved when Greece and the other member-states signed a common declaration to safeguard the distinctive nature and legal status of Mount Athos.

Fervent rebuilding is now taking place on Athos. The monastery buildings are rapidly being restored, though this is proving to be a source of distraction and apprehension for the monks. They are disturbed by the large numbers of pilgrims and visitors who arrive almost all year round and the road-building activities, which are taking a toll on the pace and way of life on Mount Athos.

The work needs to be done, however, because the monasteries shelter treasures of inestimable value and the good condition of the buildings that house them is essential.

Following World War II, proposals were made to transform Athos into a national monument, cared for by the tourist authorities. The renewal of the monastic tradition has prevented this and is pointing the way to a new era of monasticism in the "Garden of the Virgin." •

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Fight to Protect Logos Spreads to the Internet

Companies Step Up Trade-Infringement Battle

By Youssef M. Ibrahim
New York Times Service

LONDON — At first glance, Frederick Mostert appears to be a typically staid corporate lawyer.

Dressed in dark, conservative suits, Mr. Mostert on most days goes to his office here at the Richmond group, the owner of such brands and their corporate logos, as Alfred Dunhill, luxury gifts, Cartier jewelry, Montblanc pens and Rothmans cigarettes.

But Mr. Mostert sometimes leads another life, one that involves what he calls "undercover work."

Actually, there is no secret behind Mr. Mostert's actions. The reason is as prominent as Richmond's brands: Mr. Mostert, 38, is the intellectual property counsel for Compagnie Financière Richemont, working with a staff of 30 people to make sure no one steals or imitates the names, logos or slogans of the Swiss-based company's products.

Moreover, since May he has been the president of the International Trademark Association, so he keeps his eye on other companies' products as well in such widely separated places as Cyprus, Brazil, Indonesia and China.

"In today's globalized economy, trademark protection is serious money," Mr. Mostert said. "When a pirate moves in to copy a Coca-Cola can, shape or color, it is like placing a bet on a horse after the race is over."

Brand names such as Coca-Cola Co., International Business Machines Corp. and McDonald's Corp. are so valuable that even approximating their advertising slogans to sell similar products can mean millions of dollars in lost sales to the manufacturers of the real thing.

In the past decade, Mr. Mostert has helped pursue trademark thieves who used the Pizza Hut name to sell frozen pies in Cyprus and chase after others who used Donald Duck and Mickey Mouse to promote a golf game in Buenos Aires.

Complicating his job is the fact that trademarks are multiplying at a dizzying pace as the world's economy expands, increasing the temptation to steal brand names and designs.

According to the World Intellectual Property Organization, an affiliate of the United Nations, the number of brand names registered as trademarks exceeds 9 million, more than double the number in 1974. But trademark protection has lagged far behind this growth.

There is no global system for protecting trademarks, said Geoffrey Yu, the director of global communications at the Geneva-based organization, and the Internet has created even more opportunities for trademark infringement. "International treaties simply don't match the explosion of digital communications," Mr. Yu said. "It takes years, maybe decades, to formulate an international treaty. The Internet explosion has created a situation that was never foreseen." Trademark hijacking on the Internet is growing in countries where brand-name protection laws are weak. Mr. Mostert spends hours surfing the Internet, following a growing population of what he calls "global pirates" who have registered Internet addresses for themselves that look identical to real trademark names.

Experts say the problems have become particularly widespread in the past 15 years as advances in communications, including satellite television and the Internet, have brought instant images, sports and world events to billions of viewers around the world.

"Until recently, trademark was a territorial concept," Mr. Mostert said. "Now it's what I call a cross-border phenomenon." He said that it was relatively easy to track people producing counterfeit products within a specific region such as North or South America or a single country. But now, trademark infringements are occurring throughout most of the world.

As a result, multinational corporations such as Pizza Hut Inc., Intel Corp., Coca-Cola and others are acting on their own, hiring legions of lawyers and investigators to pursue pirates, including those registering a brand name or an approximation of it on the Internet.

The volume of counterfeiting has also grown. The association estimates that businesses lost sales of \$2.1 billion to trademark pirates last year alone.



Top EU Bankers Open to Rate Cuts

Duisenberg and Tietmeyer Indicate They've Heard Politicians' Calls

By Barry James
International Herald Tribune

BRUSSELS — The top two European central bankers, responding to criticism about tight monetary targets, hinted Thursday that they might not be opposed to cuts in interest rates, saying the threat of deflation — not just inflation — should be watched.

The comments followed a series of calls for lower interest rates from politicians concerned about a slowing economy. The finance minister of France, Dominique Strauss-Kahn, added his voice to those calls Thursday. He said there was scope for further interest-rate cuts in Europe but insisted he was not challenging the independence of the European Central Bank, which will manage monetary policy for the 11 countries introducing a single currency next year.

Until now, central bankers have generally bristled at such calls. But the president of the European Central Bank, Wim Duisenberg, said in a speech in New York that while price stability was the bank's principal aim, "deflation in the measured price index would not be considered to be consistent with price stability."

The president of the Bundesbank,

Hans Tietmeyer, said the German central bank was checking whether interest rates were appropriate. Though he reiterated the importance of price stability, he said assessments should include soundness of "possible room for rate cuts."

Neither banker indicated, however, that such a move was imminent. With only 50 days to go before the introduction of the euro, governments and the new central bank have been going out of their way to play down hints of conflict over interest rates and economic growth.

The president of the European Commission, Jacques Santer, said the bank was strong enough to engage in a debate with governments about the direction of economic policy without having to feel that its independence was under threat.

Tommaso Padoa-Schioppa, a member of the bank's executive board, said it did not see its independence being threatened by calls for lower interest rates to stimulate economies and create jobs.

"There is no risk that we won't be able to make appropriate decisions," he told the daily Frankfurter Allgemeine Zeitung. "We are not that weak."

Mr. Strauss-Kahn said European inflation was so low that "many objective

reasons" existed for the bank to lower rates with the introduction of the euro Jan. 1. He said it was not inconceivable that French and German interest rates could fall. "But that's the job of the independent central bank," he added.

Sweden announced a reduction in interest rates Thursday. Even though it is not joining the monetary union, it was an example of the magnetic pull of the new currency. Britain, another outsider, cut rates last week. Italy and Spain also have reduced rates as the 11 countries in the euro zone converge toward the German and French rate level of 3.5 percent.

Speaking to the Danish Institute of International Affairs in Copenhagen, Mr. Santer suggested that it was not heresy for governments to question the new central bank's monetary policy. Some analysts have said that the bank might resist calls for interest-rate reductions to avoid giving the impression it was buckling to political pressures.

Referring to the Maastricht Treaty on European union, he said: "The statutory independence afforded by the treaty should give the ECB confidence to engage from a position of strength in a dialogue on its policy. The treaty provides ample scope for dialogue between the ECB and the other institutions."

Chrysler Vanishes Into a Bold Venture

By Keith Bradsher
New York Times Service

AUBURN HILLS, Michigan — After decades of close calls with bankruptcy, a government bailout and finally a recent flood of profits from minivan and Jeep sales, Chrysler Corp. disappeared as an independent company Thursday, and united with Daimler-Benz AG of Germany.

With \$140 billion in annual sales, the new company, DaimlerChrysler AG, is the world's fourth-largest. It will have 428,000 employees and sell vehicles ranging from Plymouth Neons costing \$12,120 to Mercedes-Benz CL-600 coupes at \$137,895.

Shareholders of both companies are exchanging their shares for stock in the combined company, which will have headquarters in this northern suburb of Detroit and in Stuttgart. The official language of the combined company will

be English, partly because many German engineers speak English. Top jobs and even upper-middle-management posts will be shared fairly evenly among Americans and Germans.

Chrysler and Daimler have gone to elaborate lengths to prevent cultural clashes, but one of the most popular subjects of speculation in the global auto industry is whether the company can raise revenue and cut costs while avoiding the cultural conflicts that have plagued previous cross-border alliances in the sector.

Skeptics recall that the last comparable trans-Atlantic partnership, the controlling stake in American Motors Corp. that Renault of France obtained in the early 1980s, produced few savings and deep management differences. Renault sold AMC to Chrysler in 1987.

Further, skeptics say that because Daimler and Chrysler want customers to continue to perceive their brands as dif-

ferent, they will not share many engines and other important parts.

John Smith Jr., chairman of General Motors Corp., said the combination would not significantly increase the competitive pressure on GM. DaimlerChrysler's size might allow it to demand better deals from suppliers, he said, but he added, "I don't see there's that much in the way of great synergy."

Chrysler and Daimler officials strongly disagree, calling Daimler a logical partner for marketing Chrysler's vehicles overseas.

Chrysler's stock traded for the last time Thursday on the New York Stock Exchange. It was up \$1.375 at \$48.4375. DaimlerChrysler, trading on a when-issued basis, finished in Frankfurt at 132 Deutsche marks (\$78.38), and Daimler's shares fell 5 DM to 133. Regular trading of the combined company's shares is to begin Tuesday in New York under the symbol DCX.

Thinking Ahead / Commentary

Unexpected Praise for Transnationals

By Reginald Dale
International Herald Tribune

WASHINGTON — Multinational companies have always made great scapegoats for anyone with a grudge against the capitalist system. Over the years, they have been accused of plundering Third World resources, exporting jobs and incomes from the richer countries and violating human rights and paying slave wages in the poorer ones.

Of course, the picture drawn by the most rabid opponents of transnational corporations, or TNCs, as they are known nowadays, is a caricature. It is usually one-sided and inaccurate, and often out-of-date.

So it is good that someone is keeping tabs on what the TNCs are up to in a reasonably objective manner. That task has been assumed by the United Nations Conference on Trade and Development, a Geneva-based UN agency with sympathies for developing nations that can hardly be accused of a pro-business bias.

The agency's latest findings, published this week in its annual World Investment Report, will be of little comfort to those who dislike TNCs and the process of economic globalization in which their activities are so deeply ingrained, both as cause and effect.

The report says the world's top manufacturing TNCs are becoming larger, increasingly through mergers and ac-

quisitions, and ever more transnational — in the sense that more and more of their assets, sales and employment are to be found outside their home countries.

Those home countries are no longer exclusively the United States and other industrial nations. Foreign assets of the leading TNCs from developing countries have been rising much faster than those from the richer nations.

The United States, Japan, Britain, France and Germany still account for three-quarters of the top 100 TNCs, ranked by foreign assets in 1996. But Daewoo Corp. of South Korea comes in at number 43 and Petroleos de Venezuela at 73.

The main point, however, is that, wherever it comes from, virtually all the countries in the world now want the foreign direct investment these companies provide — regardless of what they feel about the volatile flows of financial capital associated with the Asian economic crisis.

While some countries, such as Malaysia, seek to shield themselves from financial, or "speculative," capital flows, competition to attract the kind of investment that builds factories and promotes new technology is constantly getting tougher and more sophisticated.

It is no longer enough, the report says, for a country to introduce liberal trade and investment policies — a basic pro-investment regime "is now a given."

Would-be host countries increasingly have to offer sound monetary,

fiscal and exchange-rate policies and, especially, technology policies such as telecommunications privatization, tax credits for research and programs to facilitate partnerships between domestic and foreign companies.

For the TNCs are no longer just looking for raw materials, cheap labor and big new markets. They still want those. But as they establish integrated worldwide operations, they are also evaluating each country's financial and communications infrastructure, and other assets such as a skilled work force and a pro-business culture.

All this is having positive effects that can spread widely through society. In order to attract investment, the report says, more countries are curbing the "nuisance costs" of doing business, for instance by eliminating corruption and red tape.

These trends are unlikely to be side-tracked by the Asian crisis. Indeed they may even accelerate as such countries as South Korea and Thailand restructure their economies. Foreign direct investment in both those countries is actually expected to rise quite sharply this year, against a big drop in Indonesia.

TNCs, the report points out, "have a much longer perspective than do most investors in international bonds and equities." They are less prone to "herd" behavior. Perhaps, after all, the "speculators" make better scapegoats.

E-mail address: thinkahead@washpost.com

CURRENCY & INTEREST RATES

Cross Rates									
	1	DM	FF	Yen	GBP	HK\$	S\$	NT\$	Nov. 12
Australia	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Canada	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
France	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Germany	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Italy	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Japan	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
UK	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
US	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Other Dollar Values									
Canada	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
France	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Germany	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Italy	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Japan	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
UK	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
US	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Forward Rates									
Canada	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
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Italy	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Japan	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
UK	1.2805	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
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The 2,600 most traded stocks of the day.
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The Associated Press.

12 Month			52			52		
High	Low	Stock	Div	Yld	PE	100% High	Low	Latest Close

Algeria	1970	1.00	1000
Algeria	1971	1.00	1000
Algeria	1972	1.00	1000
Algeria	1973	1.00	1000
Algeria	1974	1.00	1000
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Algeria	2066	1.00	1000
Algeria	2067	1.00	1000
Algeria	2068	1.00	1000
Algeria	2069	1.00	1000
Algeria	2070	1.00	1000
Al			

12 Month High Low Stock Div Yld PE ⁵²Wk High Low Latest Chnge

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12 Month High Low Stock Div Yld PE 54s High LowLatest Chrgs

[illegible]

12 Month		Stock	Div Yld	PE	52		Latest Chge
High	Low				High	Low	

[illegible]

12 Month	High	Low	Stock	Div	Yld	PE	100% High	Low	Latest Crp
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High	Low	Stock	Div Yld	PE	100s Right	Low Carbon	Ch
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						23 1/2	57 1/2
						21 1/2	57 1/2
						23 1/2	57 1/2

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12 Month		Stock	Div	Yld	PE	52		Latest	Chge
High	Low					High	Low		

177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
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12 Month High Low Stock Div Yld PE 100s High Low Latex Close

1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100

Continued on Page 19

ASIA/PACIFIC

Japan's Stimulus Plan Leaves Market Skeptical

By Sheryl WuDunn
New York Times Staff Writer

TOKYO — The governing Liberal Democratic Party unveiled a plan to bolster the economy Thursday, but the financial markets greeted it skeptically, and analysts described it as a mélange of relatively minor steps that would have little effect.

The package could end up being worth \$150 billion, making it the largest in a series of efforts to lift the economy out of recession. But no official figure was disclosed, and in any case, its size and implementation will depend on political developments.

The draft, which is expected to be formally endorsed by the government Monday, aims to create 1 million jobs and to spur consumer

spending with cheaper housing loans, about \$57 billion in long-term tax cuts and the distribution of \$5.7 billion in merchandise coupons. One proposal, a rollback of last year's increase in the consumption tax, was not mentioned in the outline.

The plan is clouded by uncertainty and could still be redrawn. One opposition group, the Liberal Party — which has entered intense discussions to form a possible coalition with the Liberal Democrats — has been pushing for a rollback in the consumption tax.

"If we reach agreement on a coalition, then today's package means nothing," said Yoshio Suzuki, policy planning chairman for the Liberal Party. The Liberal Party has called for a repeal of the 5 percent consumption tax for at least one

year, after which the tax would be gradually stepped up again as permanent income-tax cuts were phased in. But some senior Liberal Democrats have resisted such a step, partly because it would be a big embarrassment for the party, which raised the tax to 5 percent from 3 percent in April 1997, a move that helped further depress demand.

Economists say the stimulus package, in its current form, may prevent the bottom from falling out from under the economy, but they also say they doubt it will do much to nurture a genuine recovery.

"It's understandable how the package came together, for it seems a patchwork quilt that parleys to different interests," said Christopher

Calderwood, chief economist at Jardine Fleming Securities (Asia) Ltd. in Tokyo. "It lacks coherence or a theme, other than keeping things the same."

Investors were unimpressed, sending the Nikkei average of 225 stocks down 2.5 percent, or 352.96 points, to 14,075.06, while the dollar rose against the yen in Asian trading.

Investor's Asia

Hong Kong		Singapore		Tokyo	
Hang Seng		Straits Times		Nikkei 225	
					
J J A S O N 1998		J J A S O N 1998		J J A S O N 1998	
Exchange	Index	Thursday Close	Prev. Close	% Change	
Hong Kong	Hang Seng	9,848.18	10,137.32	-1.87	
Singapore	Straits Times	1,197.19	1,236.82	-3.20	
Sydney	All Ordinaries	2,708.30	2,720.70	-0.46	
Tokyo	Nikkei 225	14,075.06	14,428.02	-2.45	
Kuala Lumpur	Composite	460.77	476.12	-3.22	
Bangkok	SET	333.06	356.26	-6.51	
Seoul	Composite Index	403.52	400.70	+0.70	
Taipei	Stock Market Index	Closed	6,654.79	-	
Manila	PSE	1,734.15	1,708.23	+1.52	
Jakarta	Composite Index	357.98	363.01	-1.39	
Wellington	NZSE-40	2,014.71	1,996.56	+1.42	
Bombay	Sensitive Index	3,009.57	2,976.17	+1.12	

Source: Reuters

International Herald Tribune

Very briefly:

• China's deflation slowed in October as retail prices fell 2.9 percent from a year earlier, state-run China Central Television reported. That was the 13th consecutive month of a decline in the retail price index, from year-earlier levels, though the October decline was smaller than the 3.3 percent drop posted for September.

• South Korea plans to list state-run Korea Telecom on its stock exchange by the end of December, paving the way for a \$1.5 billion stock sale overseas by the nation's biggest phone company. The government has sold 28.8 percent of Korea Telecom to domestic investors in recent years.

• Australia's jobless rate fell to 7.7 percent in October, its lowest reading in eight years, providing further evidence that the economy is weathering Asia's crisis and deflating expectations the central bank will cut interest rates soon.

• Mitsubishi Motors Corp. president, Katsuhiko Kawasoe, said there was no future for "hybrid" automobiles powered by electricity and gasoline, despite advances rivals had made with the technology. "It is not a viable business," he said. "You can only manufacture a very limited number of cars."

• All Nippon Airways Co. of Japan and China Eastern Airlines Co. will sign a code-sharing agreement to cut costs and increase access to each other's base regions.

• City Developments Ltd., Singapore's largest publicly traded real-estate developer, is looking to buy hotels in Tokyo, Seoul and Thailand.

Investors Assail New Rules

Hong Kong Orders Traders to Reveal All Details

HONG KONG — A new code of conduct at Hong Kong's stock and futures exchanges will make it nearly impossible for investors to do business legally with banks in countries that have banking-secrecy laws, investors said Thursday.

The rules — which take effect Friday for investors registered with the Securities and Futures Commission — are part of a wave of new regulations aimed at reducing speculation in the Hong Kong financial markets. Under the rules, exchange members must know the ultimate beneficiary and originator of all transactions.

That means that every time a trade takes place in Hong Kong, the trader needs to know the buyer, the seller and the individuals or companies that the buyer or seller represents.

Banks in locations such as Singapore, the British Virgin Islands and the Cayman Islands are not required to disclose the identity of the investors and will probably refuse to do so because it would violate their

banking laws. "You can't go to a custodian holding stocks and demand that they release names," said Henry Lee, managing director of Hendale Asia Fund Ltd. in Hong Kong. "They wouldn't give them to you, and even if they did, you'd just have a list of corporations."

The Securities and Futures Commission said it was aware of enforcement problems surrounding the new regulations but has not offered any clear guidelines to help members of the stock and futures exchanges should proceed.

A Securities and Futures Commission spokesman, Chan Chi-Keung, said: "We anticipate that there might be difficulties, and we would be pragmatic in the application of the rules."

However, if the financial intermediary is not satisfied that they know the ultimate beneficiary or originator of any transaction, they should not do business with that party. "The exchanges said the new rules exceeded disclosure requirements in other developed markets."

Honda and Mazda Profit Speeds Up

Compiled by Staff from Reuters

TOKYO — Two Japanese automakers, among the country's largest exporters, posted better-than-expected earnings Thursday, but companies in other industries more reliant on domestic demand were unable to escape the country's deepening recession.

The automakers, Honda Motor Co. and Mazda Motor Corp., said their profits in the first half rose sharply, helped by strong overseas sales and the weakness of the yen during the period, which ended Sept. 30.

Honda, whose Accord was the second-best-selling car in the United States last year, said pretax profit rose to 281.5 billion yen (\$2.3 billion) from 222.6 billion yen a year earlier, prompting it to raise its full-year forecast. Mazda, a Ford Motor Co. affiliate, also increased its full-year forecast after it said pretax profit rose to 18.8 billion yen from 5.2 billion yen a year earlier.

Unlike Nissan Motor Co. and Mitsubishi Motors Corp., which posted losses in the first half as sales slumped in Asia, Honda and Mazda made most of their money in the United States and Europe, where the strength of the dollar and the Deutsche mark early in the financial year expanded revenue from booming sales.

"Honda has a very strong brand image in the U.S., and Mazda's brand image is strong in Europe," said Steve Usher, an analyst at Jardine Fleming Securities (Asia) Ltd.

At Honda, for example, U.S. vehicle sales rose 6.5 percent to

556,000. In Europe, sales rose 2.4 percent to 130,000. Together, that offset a 10.7 percent decline in domestic sales to 326,000 vehicles.

Two big consumer-electronics companies, Sanyo Electric Co. and Sharp Corp., were not so fortunate. Sharp, the world's largest maker of liquid-crystal display screens, said profit fell to 7.8 billion yen from 36.6 billion yen a year earlier because of tumbling prices for the display screens, microchips and some audiovisual appliances. Sales rose 0.5 percent to a record 901.24 billion yen.

Sharp said average prices for 12.1-inch LCD screens, mostly used in desktop personal computers, tumbled 54 percent in the April-September period from a year earlier because of oversupply.

Group net income at Sanyo,

whose products range from computer peripheral equipment to refrigerators and vending machines, slipped to 5.72 billion yen from 9.88 billion yen a year earlier. Sales fell 1.5 percent, to 939.8 billion yen.

Sanyo, which relies on Japan and the rest of Asia for 70 percent of its sales, had a worse-than-expected half because of sluggish demand and price declines in those markets, said Masashi Kubota, an analyst at ING Barings Securities (Japan) Ltd.

In another report, Kokusai Densha Denwa Co., Japan's largest international telephone company, said first-half pretax profit fell to 5.1 billion yen from 9.3 billion yen as customers switched to cheaper competitors or to KDD's own discount plans. Revenue fell 5.8 percent, to 144 billion yen from 153 billion yen. (A.F.X. Bloomberg News)

Malaysia Woos Palm Oil Firms

Bloomberg News

SINGAPORE — The Kuala Lumpur Commodity Exchange, hurt by the financial controls imposed by the government of Malaysia, is lobbying palm oil trading companies in Singapore in an effort to woo back investors.

Foreign investors pulled out after Malaysia, in an effort to avoid the financial turmoil of its neighbors, imposed regulations in September that blocked repatriation of funds. Although Malaysia's central bank has since removed that restriction on proceeds from trading of derivatives, foreign investors are staying away. Daily trading volume of crude palm oil futures on the exchange has fallen 35 percent from 1997 levels.

Malaysia is the world's largest producer of palm oil, with exports of the commodity earning 9.8 billion ringgit (\$2.6 billion) in the first half of 1998.

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November 12, 1998
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The data in the table above is derived from the fund groups in STANDARD & POOR'S GLOBAL FUND INDEX (23-1) 41 93 12 or e-mail: funds@itf.com. The data is not and shall not be deemed to be an offer by the IFT or Standard & Poor's to sell securities or to sell securities to investors. Past performance does not

INTERNATIONAL INVESTING

Maybe It's Again Time to Hold Those Tigers

JAMES K. GLASSMAN ON INVESTING

WASHINGTON — If you think the U.S. market is hot these days, take a look at the emerging markets of Asia.

Yes, Asia. Remember the land of crumbling economies, falling currencies and frightened investors? Well, the Hang Seng Index in Hong Kong is rising more often than not in recent days, although it fell Thursday along with most Asian markets. Since Aug. 13, however, it is up by more than 13 percent.

From its low a few months ago, Thailand's major stock index has risen 111 percent; South Korea's, 57 percent; Singapore's, 64 percent; China's, 27 percent. And in just the past seven weeks, the Jakarta composite index in Indonesia has doubled. All of these increases are in U.S. dollars terms.

But despite these advances, Asia is still far cheaper than it was 15 months ago when the crisis began. The markets in South Korea and China are each down by more than half; Thailand, by 48 percent; Hong Kong, by a third. Even Taiwan, whose economy was said to be immune to the Asian disease, is down 39 percent.

So maybe it's time for investors who have shunned international stocks to devote some cash to Asia. But then again, maybe not. Let me offer instead two choices for different sorts of investors: 1) Asia, for risk-lovers, and 2) global blue chips for the more sedentary. In this column, I'll look at Asia, in my next one, I'll discuss global blue chips. (Mr. Glassman's next column is scheduled to appear in the Money Report section in the Saturday-Sunday editions of the International Herald Tribune.)

I am agnostic on the question of which to pick. In fact, it may be smart to buy both. But either way, as a long-term investor you need international exposure — between 10 percent and 30 percent of your holdings. Other countries, after all, account for roughly three-quarters of the world's output, and research has shown that, by adding non-U.S. stocks to your portfolio, you reduce its overall risk.

Make no mistake. While Asia beckons, Asia is volatile. Take, for example, the closed-end Korea Fund, which trades on the New York Stock Exchange. Over the past two months, it has risen more than 50 percent; nevertheless, investors who bought the fund at the start of 1995 have lost half of their money. The fund needs to double from here to get them even — and more than triple to bring them to the level of U.S. stocks over the same period.

Like the Korea Fund, Asia itself is a picture of both optimism and devastation. Jim Walker, chief economist at Credit Lyonnais Securities Asia, says there could be a "major rebound" in corporate earnings across Asia in 1999. But Mr. Walker, interviewed in the new issue of Grant's Asia Observer, also worries that these healthy profits will convince Asian governments that their troubles are over — and, as a result, that necessary

reforms of banks and the strengthening of currencies will be postponed, provoking disaster down the line.

Byron Wren, a highly regarded analyst at Morgan Stanley Dean Witter, recently returned from a trip to Asia and said that economies were "bottoming" — in other words, they won't get much worse.

"Throughout Asia," he told clients, "there is no sense of hopelessness, as most expect the region to recover. The only questions are, 'When?' and, 'Is it too early to start buying stocks now?'"

David Malpass, chief international economist at Bear, Stearns & Co., seems to have a sensible view. He told me that, while most Asian markets "formed a lasting bottom" in August and September, we should not expect too much too soon. Per-capita income, he says, "will take five to 10 years to recover to 1996 levels." Latin America lost an entire decade in the 1980s, and so could Asia, where "debt burden remains heavier."

On the other hand, Mr. Malpass contends, the problems of China and Hong Kong are exaggerated and devaluations are "highly unlikely, given Hong Kong's currency board, and China's preference for stability."

It's not hyperbole to say that Asian stocks could present a once-in-a-lifetime opportunity, with an abundant market of consumers, a smart and dedicated work force and managers who are only now learning that return on equity is more important than revenue alone. Asia, in short, is a bundle of potential energy.

How to play it? Trying to ferret out individual stocks is exceptionally difficult for the small investor. Morgan Stanley Dean Witter, for example, lists only one Asian company — Sony Corp. — in its list of 10 core non-U.S. stocks. Sony and other large Japanese consumer companies — such as Canon Inc., Fuji Photo Film Co., Toyota Motor Corp. — are well-run international companies that have largely avoided the Asian crisis, but their prices reflect that fact.

To find good Asian companies that have been beaten up, your best bet is mutual funds. The top performer over the past five years, according to Value Line, has been Merrill Lynch Pacific, which at last report had two-thirds of its assets in Japan. Leading funds that eschew Japan include Fidelity South Asia, T. Rowe Price New Asia and T. Rowe Price Pacific Growth, each of which has at least one-fourth of its assets in Hong Kong stocks.

For an even larger dose of Hong Kong, consider Guinness Flight China & Hong Kong, which has soared 36 percent in the past three months. Leading its portfolio are HSBC Holdings PLC, a Hong Kong financial services company; Hong Kong Telecom Ltd., and China Telecom (Hong Kong) Ltd., which has risen 75 percent since mid-August. All three stocks trade on U.S. exchanges.

Guinness Flight also offers a new Asia Small Cap fund, with holdings roughly split among Hong Kong, Singapore and China, plus a smattering of issues from Thailand and Malaysia.


For those who crave even more risk, consider closed-end country funds such as the Thai Fund or the Singapore Fund. Another alternative is World Equity Benchmark Shares, which are portfolios of stocks that each reflect a Morgan Stanley Capital International country index and trade on the American Stock Exchange. There are such portfolios for Hong Kong (stock symbol EWH), Japan (EWH), Malaysia (EWM) and Singapore (EWS).

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Very briefly:

• Jamie Jaffee, who has stepped down as head of Fidelity Investments' Charitable Gift Fund, is gearing up to tackle how investors give money to heirs. She will head up a new Fidelity initiative to woo customers grappling with inheritance and estate planning. The project, still under wraps, reflects Fidelity's new efforts to tap into the private side of wealth transfer as well as retain customers at every stage. "We have lots of customers who face the issue of inheritance every day," said Fidelity's marketing head, Stephen Cone.

• Bank of Tokyo-Mitsubishi Ltd., Japan's largest commercial lender, said it would sell mutual funds developed by Nikko Securities Co., Fidelity Investments and its own asset management unit. The bank will sell 11 mutual funds at 49 of its branches starting Dec. 1, when rules preventing banks from selling funds are scrapped. *Boston Globe, Bloomberg*



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9 Funds Reopen, Stressing Small-Caps

WASHINGTON — Nine U.S. mutual funds, most of them focusing on small-capitalization stocks, have recently reopened to new investors.

The editor of the No-Load Fund Investor, Sheldon Jacobs, is especially fond right now of micro-cap funds, or those focusing on some of the smallest publicly traded companies, two of which are reopening: Scudder Micro-Cap, which has risen 16 percent in the past month, and

Wasatch MicroCap, a value-oriented fund that owns such tiny stocks as Techne Corp., Marks Brothers Jewelers Inc. and Travis Boat & Motors Inc., each of which has jumped more than 50 percent since Oct. 8. Wasatch's only drawback: high expenses.

Also reopening is an old favorite, the Merger Fund, with risk levels a small fraction of those of its peers. — JAMES K. GLASSMAN

Cohen Is Bullish

Bloomberg News

HONG KONG — Abby Joseph Cohen, chief investment strategist at Goldman, Sachs & Co., said Thursday the U.S. stock market still offered opportunities for investors in such industries as energy and technology.

"1999 is a year of economic growth," she said. "It's a year of profit growth." Ms. Cohen said figures from Motorola Inc. and Intel Corp. suggested profit would exceed expectations next year.

INTERNATIONAL FUNDS			
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WORLD ROUNDUP

AL Manager of Year Award for Torre

BASEBALL Joe Torre of the New York Yankees was overwhelmingly voted American League Manager of the Year on Thursday. Torre got 23 first-place votes, four seconds and one third for 128 points in voting by the Baseball Writers' Association of America. Jimmy Williams, the Boston manager, was a distant second with three firsts and 59 points. New York finished the regular season 114-48, setting an AL record for victories and went 11-2 in the postseason, sweeping the San Diego Padres in the World Series. (AP)

Cuban Women Keep Title

VOLLEYBALL Cuba retained the women's volleyball world championship Thursday, beating China, 15-14, 16-14, 15-12, in the final. Cuba also beat the Chinese, 3-0, in the Olympic final two years ago. The Cubans dropped just two sets in the two-week competition. Russia, the top ranked team entering the tournament, came back from a set down to take bronze with a 3-1 victory over Brazil. (Reuters)

Browns Hire Security Chief

FOOTBALL The newly formed Cleveland Browns said Thursday they were hiring Lewis Merletti, the outgoing U.S. Secret Service director, as security co-ordinator. Merletti protected Presidents Reagan, Bush and Clinton and fought unsuccessfully to keep his agents from testifying in the Monica Lewinsky investigation. He will become the Browns' vice president and director of stadium and security affairs. (AP)

Goalie Brimsek Is Dead

ICE HOCKEY Frank Brimsek, a Hall of Fame goalie who was nicknamed "Mr. Zero" after posting six shutouts in his first eight National Hockey League games, died Wednesday at 85. Brimsek recorded 42 shutouts in his career with the Boston Bruins and Chicago Blackhawks. (AP)

Compensation for Ski Fan

OLYMPICS A court in the northern Japanese city of Urawa ordered the organizers of the Nagano Winter Olympics to pay 3,560 yen (\$28.88) in damages for mental anguish to a spectator who missed a ski jumping event because of heavy traffic. (AP)

British Swimmer Seeks Redress for a Theft 18 Years Ago

By Christopher Clarey
International Herald Tribune

SEVILLE, Spain — Unfortunately for Sharon Davies, she was at her peak as a swimmer in the years when the East German women's team was at its peak: dominating international competition with the help — as the recent trials in Germany have made clear — of a systematic, state-sponsored program that fed hundreds of athletes performance-enhancing drugs.

When Davies won her silver medal for Britain in the 400 meter individual medley in Moscow, the East German Petra Schneider finished more than 10 seconds ahead of her to take the gold and set a world record.

Davies was convinced then that Schneider had an unfair advantage, and 18 years later she believes she has proof after speaking with Schneider in August and digging through East German state files. Now, she wants the International Olympic Committee to offer her some form of justice.

"A crime is a crime whether it is 50 years ago, five years ago or five minutes ago," Davies said. "You will never be able to give me or other swimmers back our moment of standing up on the podium but to be able to put it straight in the record books would be a step in the right direction."

The British Olympic Association has filed a petition with the International Olympic Committee on behalf of Davies. The U.S. Olympic Committee has filed a similar petition on behalf of the American women's medley relay team that finished second behind the East Germans at the 1976 Olympics in Montreal.

Both appeals will be evaluated by the IOC's executive board Dec. 11-14 in Lausanne, Switzerland, and the potential repercussions for world sport are enormous if the IOC decides to approve a new version of history.

"The result has no meaning anymore so why let it stay in the record books?" Davies said. "If we all know the truth, why let it sit there?"

According to the IOC executive director, Francois Carrard, the executive board could make a ruling or refer the protests to the general assembly. It could also decide to address the protests further at the conference on doping scheduled for February in Lausanne.

The chances of a radical move from the IOC do not appear great. Last month, Jacques Rogge, an executive board member, said: "There is absolutely no going to be any change for things that happened more than 10 years ago."

"At this stage," he said, "we still have no documented evidence of doping of an athlete on the day of Olympic competitions."

Carrard was less categorical Thursday. "There have been comments from members of the board that, in principle, the IOC doesn't think it should rewrite history or reallocate medals," he said, "but I think we are going to see if some form of recognition can be instituted in some cases. The word 'recognition' is the word I would emphasize."

Neither the USOC nor the British are asking the Germans to relinquish their medals. The USOC believes most of the German competitors were unaware of the banned substances they were taking and is requesting only that its swimmers receive supplementary gold medals. Davies is also more interested in vindication than vengeance.

"I wouldn't like to see medals stripped," she said. "And if you ask me, it's a bit too late to reassess medals, but a certificate or a rewrite of the record books would be satisfactory to me."

Davies rejects the argument that the IOC should not tinker with the record book because there is no guarantee that those who will benefit were drug-free at the time of the events in question.

"I suppose you could say that I had the same information available to me as they did about beating the system, but I was training on my own," she said.

Last summer, Davies, who is a television presenter, spent several weeks in

Germany. She was seeking evidence to present to the IOC and material for a television program that will air in Britain on Sunday evening. During her research, she interviewed Schneider and Rika Reinisch, who won both backstroke events at the 1980 Olympics.

"Petra was quite happy to admit it," Davies said. "She said she was put on a doping program at 14 and originally told that they were just little blue pills. She then knew changes were taking place in her body, and by the time she was 16 or 17, she was aware that she was taking something illegal but by that time she was worried that if she rejected it, her father might lose his job or something. That's the very sad part of this. It wasn't a simple, straightforward thing."

Both Petra and Rika Reinisch have heart problems and all the side effects that are apparent with steroid abuse," Davies added. "But the fact is they had very little choice. If I had been in East Germany at that time, I could have been one of those people, too."

"But I do think the IOC should be held fairly accountable that more was not done at the time. It's not like this is all a surprise. The East Germans were dominating out of all proportion. It was obvious to everyone what was going on, and I think there should be some form of compensation for athletes who missed out on medals they would have won and

something as well for the East German athletes who were swept under the carpet and many of whom are now suffering badly. Petra has been told at the age of 35 that she could die of a heart attack at any moment, and she has an eight-year-old girl."

Davies and her husband, Derek Redmond, have a five-year-old son, Elliott. Redmond, a 400-meter runner, was also a British Olympian.

It should come as no surprise that Elliott has begun to express an interest in sport. But Davies is ambivalent about the prospect of her son's choosing the family business.

"Part of me is proud and wants him to do sport and part of me worries to death about what he would have to do to himself to do his best," she said. "It's quite sad to feel that way."

Billiards Veteran Is Banned

A 58-year-old Japanese billiards player tested positive for a muscle building drug and has been kicked off the team for the Asian Games and banned for two years. Reuters reported from Tokyo.

Junsuke Inoue admitted to using methyltestosterone, a hormone similar in its effects to testosterone, to enhance his energy level. He would have been the oldest Japanese competitor at the games in Bangkok in December.

Waite Deflects 38 Shots-on-Goal As the Coyotes Keep On Howling

The Associated Press

Jimmy Waite was spectacular in goal as the Phoenix Coyotes continued the best start in the 30-year history of their franchise with a 2-0 victory.

Waite turned aside 38 shots as the Coyotes, formerly the Winnipeg Jets, handed the Dallas Stars their first home defeat of the season. The Stars held a 38-18 shots-on-goal advantage, although few of their opportunities tested Waite.

NHL Roundup

The goaltender denied the Stars' best scoring chance of the night on Guy Carbonneau's short-handed breakaway with 14:39 to play.

Keith Tkachuk and Jyrki Lumme scored for Phoenix, which is unbeaten in its last seven games and is 7-2-2 overall. The Coyotes haven't lost since Oct. 22, when they were edged, 2-1, by the Stars in Dallas. "We're thrilled about the start, but it's more important to finish strong," said Coach Jim Schoenfeld.

Panthers 4, Rangers 1 One night after scoring 10 goals, the New York Rangers could manage only one in Miami.

Thirteen seconds after the Rangers tied the Florida Panthers, 1-1, in the second period, Alexei Kovalev, a New York winger, was called for a penalty that altered the complexion of the game.

Ed Jovanovski broke the tie by scoring with 21 seconds left in the period, and Robert Svehla gave Florida a two-goal cushion by scoring at 3:33 of the third.

Red Wings 6, Blues 2 In Detroit, Steve Yzerman moved past his boyhood hero, Bryan Trottier, into 10th place on the National Hockey League career point list as the Red Wings routed St. Louis.

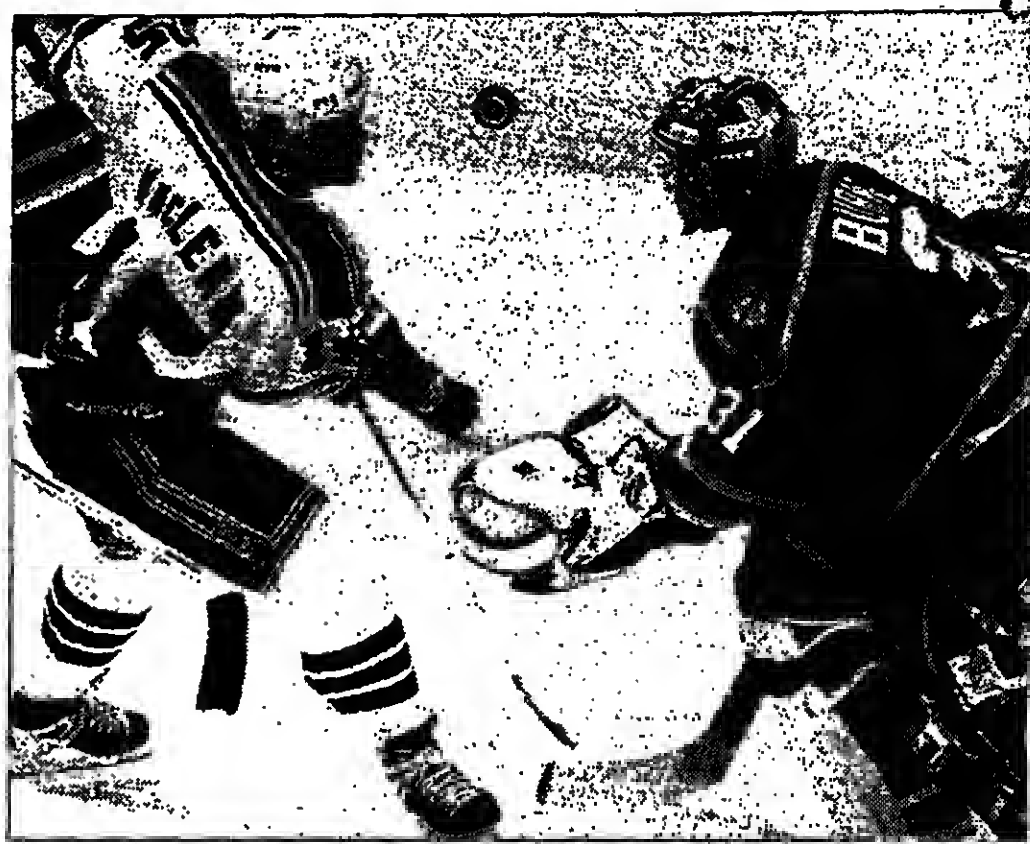
Yzerman's goal and assist gave him 1,426 points, one more than Trottier, the former New York Islanders' great whom Yzerman admired so much that he adopted his No. 19 jersey.

Yzerman tied Trottier with an assist on Vyacheslav Kozlov's goal, the last of Detroit's four first-period tallies. Yzerman's goal in the last minute of the second period gave the Red Wings a 6-0 lead.

Mighty Ducks 5, Hurricanes 4 Paul Kariya scored with 1:07 left in regulation to tie the game and Steve Rucchin deflected in the winning goal for Anaheim at 1:04 of overtime. The Ducks trailed, 3-1, heading into the third period.

Devils 3, Canadiens 0 Scott Niedermayer scored on a penalty shot and set up another goal to lead New Jersey over visiting Montreal.

Maple Leafs 3, Oilers 2 In Toronto, Curtis Joseph made 32 saves and was spectacular in the third period, when Edmonton outshot the Leafs, 20-2, but could score only once.



John Maclean of the Rangers, left, and Sean Burke of the Panthers staring down the puck.

Vaughn Rebuffs Bosox, Who Now Try for Belle

The Associated Press

NEW YORK — Mo Vaughn's decision to reject a final offer from the Boston Red Sox is likely to trigger another series of moves in an already busy baseball off-season.

The slugger rejected a deal worth \$60 million Wednesday and will change clubs — the Anaheim Angels are an early favorite — while the Red Sox indicated they would pursue Albert Belle of the Chicago White Sox.

Among other moves Wednesday, Bobby Bonilla returned to the New York Mets. David Cone stayed with the New York Yankees and Dean Palmer became Detroit's biggest free-agent addition in years.

Vaughn, the 1995 American League most valuable player, was given a take-it-or-leave-it offer Wednesday night by Boston's general manager, Dan Duquette, and the slugger first baseman vowed to play elsewhere next season.

Vaughn rejected a \$37.5 million, four-year deal earlier this year. The Red Sox then made a five-year offer worth about \$60 million, but the hard-hitting first baseman already has a \$72 million, six-year proposal from the Angels.

Belle, a surly outfielder, could be an interesting signing in a city where fans and media put players under what might be the most intense microscope in baseball. Duquette said he was not concerned with Belle's anti-media stance, saying that fan reaction "would be fantastic" if Belle hit 50 homers and drove in 130 runs for Boston. Belle hit 328 with 49 homers for the White Sox this season.

Cone agreed to stay with the Yankees, getting an \$8 million, one-year contract, \$2.5 million more than the

player option he was set to reject. Cone, 35, was 20-7 with a 3.55 ERA last season as New York set an American League record with 114 victories and won the World Series. It was his first 20-victory season since 1988.

The Yankees and Darryl Strawberry agreed to extend the deadline for a decision on his \$2.5 million option to Nov. 20. Strawberry is undergoing chemotherapy following surgery last month to remove a cancerous tumor from his colon.

Arizona picked up two free agents, agreeing to a \$5.7 million, three-year contract with left-handed pitcher Greg Swindell and a \$1.8 million, two-year deal with first baseman Greg Colbrunn.

Swindell, who will be 34 next season, was 5-6 with a 3.59 earned run average for Minnesota and Boston this year in 81 relief appearances and made \$1.3 million.

Colbrunn, 29, hit .307 this year for Colorado and Atlanta, with three homers and 23 runs batted in for 166 at-bats.

Los Angeles sent Bonilla to the Mets along with \$1 million for reliever Mel Rojas, and Palmer agreed to a \$36 million, five-year contract with the Tigers. Bonilla was largely a bust during three seasons with the Mets before they sent him to Baltimore, where he was also a disappointment.

"I think Bobby Bonilla's a guy who comes with some risk who also comes with a lot of reward," said Bobby Valentine, the Mets' manager. "We certainly hope he is able to play in the outfield. The risk is whether he catches the ball when it comes down."

Rojas was a major disappointment for



Jamie Moyer pitching for the Major League stars in Osaka, Japan.

the Mets this year, going 5-2 with a 6.05 earned run average and two saves in 50 games and blowing key games against the New York Yankees and Toronto Blue Jays, among others. Rojas is signed for 1999 at \$4.5 million, while Bonilla gets \$5.9 million in each of the next two seasons.

Palmer, 30 next month, went to Detroit after Ken Caminiti, another free-agent third baseman, rejected the Tigers' offer. Detroit gave Palmer a deal that includes a \$10 million signing bonus payable over five years.

He made \$5.75 million this year, hitting .278 for Kansas City and leading the Royals in homers (34) and runs batted in (119). Detroit wants to upgrade its roster in preparation for the move to a new stadium in 2000.

Major Leaguers Win in Japan

Jamie Moyer and four relievers pitched a five-hit shutout Thursday as a squad of U.S. major leaguers beat a team of Japanese all-stars, 2-0, the Associated Press reported from Osaka.

The victory put the major leaguers 3-2 ahead in the best-of-seven series.

2 Babes: Ruth and Mrs. Joe DiMaggio They're Both in Collection of Baseball Memorabilia Worth Millions

By Ira Berkow
New York Times Service

NEW YORK — Everyone needed an identification card. You couldn't go into a military zone without it. Even if you were on your honeymoon. As Marilyn Monroe was.

She had come to Tokyo with Joe DiMaggio shortly after their marriage but on arrival she and Joe agreed to an appeal from the general staff for her to entertain the troops in Korea, while Joe stayed in Japan. And so on a laminated U.S. Department of Defense I.D. issued 8 Feb. 1954, was, naturally, her unmistakably dazzling mug shot — looking nothing, to be sure, like a non-com — with her name printed below the photo and her looping signature.

And what, for, say, \$6,000, was the name she chose to be known by?

Answer: "Norma Jeane DiMaggio," as she signed it.

Until very recently Barry Halper owned one of the most remarkable, and valuable, baseball memorabilia collections this side of the moon.

It was announced Tuesday that he had sold to the baseball commissioner's office for \$7.5 million what he estimates to be 20 percent of his collection, which comprises everything from the 75 baseball uniforms in mint condition that go back to one worn by Pud Galvin of the 1871 Buffalo Nationals to the contract to the National Casket Co. of Long Island City for Babe Ruth's coffin ("six-foot, six-inch pine box — kind of eerie, but special," Halper said) to, well, Norma Jeane DiMaggio's USO identification.

Much of the rest of his collection will be sold over the year by Sotheby's, including the Monroe card. Halper, diligent to the point of obsession, obtained his collection of more than 100,000 pieces that fills up almost every nook and cranny of the extensive basement in his house in Livingston, New Jersey, in many ways: by people giving him things free that they wanted to clear out of their basements or by going to various significant individuals and getting them to autograph bats, balls and programs, as well as on occasion visiting an auction. It was at an auction about 20 years ago that he paid \$1,400 for the I.D. The people at Sotheby's believe it might sell for at least \$6,000.

Halper, a friend for many years of DiMaggio's, said he never showed the I.D. ("It's 5-5 1/2, Wt. 118, Religion: None") to DiMaggio.

"He's very sensitive about anything regarding her," Halper said.

"But one day in my home I showed him an original copy of the first Playboy Magazine, in which she posed nude for the cover. Joe said — he didn't look too thrilled — 'What do you want me to do with this, sign 'Best wishes'?'"

Halper is nothing if not undamned. "I said, 'No, but I'd love to have you sign it.' He said, 'O.K., but I don't want anyone to see it in my lifetime.' I promised I wouldn't, and I haven't."

Halper, now 58 and a limited partner with the New York Yankees at something over 1 percent, began collecting baseball cards as a boy in the 1940s. Soon it was on to other memorabilia. At the 1983 All-Star Game in Chicago, on the 50th anniversary of

the first big-league All-Star Game, he wanted to get a bat signed by Earl Averill, who played in that game.

"I saw him in the hotel lobby after the game and he was looking very sickly," Halper recalled. "He said he'd sign it tomorrow. I thought that if he made it to tomorrow it would be a miracle. I just about begged him to do it now and we went to his hotel room, where he signed it."

The next morning I come down to the lobby and there's a big commotion. Averill was leaving the hotel in an ambulance and died shortly after. I don't want to be callous, but I did get lucky."

Halper once approached Richard Nixon, whom he knew, with a request. He told him he had been collecting baseballs of famous people who signed their full names and nicknames. From his briefcase, Halper showed Nixon balls signed "Joseph Paul DiMaggio," "Yankee Clipper," and "Theodore Samuel Williams, 'The Thunder'."

"Mr. President, would you sign a baseball like that?" Halper asked. "Sure," Nixon said. He signed, "Richard Milhous Nixon."

"You didn't write your nickname," Halper said. "I don't have a nickname," Nixon said. "Ah, well, yes you do, Mr. President," Halper said. "I do?" "The Trickster."

Nixon threw up his arms. "Oh, no, I'm not signing that!" Halper politely held his ground. "Well," he said, "how about 'Tricky Dick'?"

"Not that either!" said Nixon, even half-smiling. It was one of Halper's few defenses.

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SPORTS

Exotic Teams Line Up For Preseason Battles

College Basketball Versus 'Road Warriors'

By William Gildea
Washington Post Service

WASHINGTON — This is the time, with the college basketball season just beginning, that teams rarely have 50 weeks of the year hit the road relentlessly to play a compressed schedule of exhibition games against teams. These fleeting days add up to a whole season, an ephemeral show time, for those foreign and domestic squads with often one-sounding names that help fine-tune the college teams and then fade again to obscurity.

The names have been dominating the results columns recently, usually appearing on the loss side: Korabel Travelers of Ukraine, SKS Paktet of Poland, Zwolle Dutch Select, Klub Levicov of Slovakia and Sakalai Lithuania to name a few; state-side stars include the Delaware Dynamite, the Arkansas Express (with three players who won a national 3-on-3 championship), Breckster Packing, Pella Winrows, the Shooting Stars, and the One World All-Stars with a phone number in Stroudsburg, Pennsylvania, featuring 10 players from eight foreign countries and a coach from Slovenia.

It can get rough on the road for these teams from other lands and former college players, many hoping an National Basketball Association or Women's NBA scout will see them in what amounts to the winks of a spotlight. Slovakia made it all the way to Evansville, in the lower left corner of Indiana, before losing. The Aussie All-Stars were scheduled by Duke last Saturday night before playing North Carolina on Sunday afternoon, losing 108-76 and 90-71 in short rest. What to make of another Australian team, the Geelong Supercats, who were run down Tuesday night by the merciless Kansas Jayhawks, 140-78, before 15,200 roaring partisans?

This same evening, at American University's Bender Arena in Washington, Coach Art Perry braced for the coming of Court Authority, from Richmond. With a 7-4 record, including a one-point victory at George Mason the previous night, Court Authority is one of the few winning teams among the proud road warriors crisscrossing America. The

roster included Harold Deane, former Virginia star coming off a season as point guard for the Bank of Sardinia on the island of Sardinia.

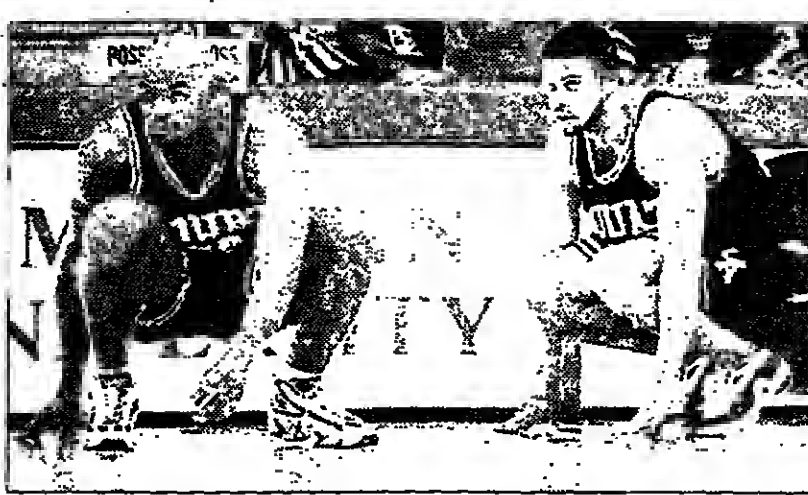
"This is a quality team, well-balanced," said Perry, awaiting the visitors. "You try to schedule teams you want to play," ones that would be helpful in assessing the college squad. Still, Perry added, "I think we need wins. We need to establish a winning attitude and winning environment."

Meanwhile, over at Georgetown's McDonough Gym, the Hoyas women's team took on the Russian national juniors. Like Court Authority, the Russian women had proved to be winners — 4-2 on a mixed-bag schedule that included victories over Boston College and Connecticut. One young woman easily stood out — the 6-foot-8 (2-meter) Maria Stepanova. She joined the Moscow contingent from Phoenix, where she played last season for the WNBA Phoenix Mercury. Even Russians have agents; hers is Boris Lechitski. He has been interpreting for the team. He works out of Irmo, South Carolina.

"We're grateful to Chevron for making this trip possible. Otherwise we couldn't have come," said Evgeni Koleski, the coach who also coached the 1992 Olympic gold medal winners in women's basketball for what was then called the Unified team. Ordinarily, preseason exhibition opponents enjoy not even a hint of pampering and usually have to overcome serious obstacles even to get to the games. The players hold jobs. Many travel to meet their team and then keep on traveling with it. They're the visitors every game.

"You're on the road for all of them," said Scott Barker, coach of the Delaware Dynamite, which also plays under the name Delaware Blue Bombers in the United Basketball Alliance, a minor pro league. The Dynamite's record is 0-6.

Dave Tillman runs the Pennsylvania Sundance All-Stars who are also 0-6. Tillman said the Sundance has made progress in six seasons, better transportation being part of it. In the beginning the players had to ride in what he called "the death-trap van." It never did them harm; it simply was a collection of bolts



Norman Nolan, left, and Harold Deane, both of Court Authority, waiting to get back into the game against American University in Washington.

that gave out on a trip to Colgate, forcing everyone to scramble into rental cars. To contact any of these teams, it helps to know the cell phone number of someone in charge because chances are they will be on the road. When Chris Koch answered his phone the other day, he was in the first of two vans carrying his team south on the Interstate toward New York. Koch is general manager of the One World All-Stars, which lost the previous night to Boston College and was bound for St. John's and another exhibition defeat against Big East opposition that night just a few hours after arrival. "The skyline of Hartford, Connecticut, is just coming into view," Koch said.

THE One World All-Stars are aptly named. The two vans carried players from Dominican Republic, Bosnia, France, the Dominican Republic, Puerto Rico, Italy, and Cameroon. The coach from Slovenia was on a sub-bus. "Nine different languages can be spoken at any one time," Koch said. As for what happens in the last minutes of a close game when the coach huddles with his team, Koch explained: "No matter what words are coming out of the coach's mouth, everyone understands a diagram. He diagrams the plays. Our motto is 'One Game, One World.'"

In the midst of playing six games in six nights in six places, One World has compiled a 1-5 record. One World's one victory came against Marquette, with a rally from 22 points behind to win on a three-pointer by Eddie Rivera from Puerto Rico. Joachim Ekanga-Ehawa, a guard from Cameroon, hit five of six threes in that game. "We have a mish-mash of players with some professional

experience and young amateurs," Koch said. "If we played all kids, we'd lose by 60 or 70."

Among the experienced players is Garth Joseph, a center from Dominica who is almost the same size as Shaquille O'Neal. One of three 7-footers on the team, Joseph is 7-foot-2, 315 pounds (143 kilograms) and, according to Koch, "knows how to use the body" even if he needs work on his "lateral speed."

When One World helped Ohio State open its new \$110 million Schottenstein Center on Nov. 3, Joseph took the floor wearing an undershirt beneath his uniform jersey. An official told him to remove it, so when he took his two shots off at the One World bench, the crowd of 12,280 got to see him in amazement, cheered and applauded. Joseph, 25, is 315 pounds of muscle and looks almost as wide as he is tall — an eye-catching sight for those NBA scouts who have been flocking to the exhibition games with little else to do because of the lockout.

Back in Washington, AU's Eagles scored past Court Authority, 102-95. A cautionary note would be that Court Authority was dead tired. After winning Monday at George Mason, the team went home to Richmond so everyone could get to work Tuesday. Staying in the area overnight would have been a luxury. Instead, it was back up the Interstate in Tuesday's late-afternoon rush, arriving with just enough time to stretch and warm up.

At Georgetown, the Russian women excelled, 81-53. The agile Stepanova dropped in 12 points and swept away 10 rebounds. With that, her teammates flew back to Moscow as she returned to Phoenix. College basketball was just beginning, but the season for the exhibition opponents was almost over.

Evans Quits Liverpool, Houllier Takes Charge

Soccer Roundup

Roy Evans resigned as co-manager of Liverpool on Thursday, leaving Gerard Houllier in sole charge of the struggling English Premier League club.

David Moores, the club chairman, said Evans, who had been at Liverpool for 33 years as player, coach and manager, was leaving by "mutual consent."

Evans said: "I felt, over the past three or four weeks, things hadn't quite been working out for the benefit of the club. That was always uppermost in my mind. I dispute my record is one of failure. At any other club, it would be a success, but not at Liverpool."

Evans said he had declined an offer of another job at the club because he did not want to be "a ghost on the wall."

The move leaves Houllier, the former French national coach, in charge for Saturday's home game against Leeds.

Houllier, speaking of his partnership with Evans, said that "maybe at one stage" the players "didn't know who was the boss — who they had to refer to."

Peter Schneichel, the Manchester United goalkeeper, said Thursday he would leave English soccer at the end of

the season. The Danish national goalkeeper, who is 35, has made several blunders this season. His most likely destination is a club in France.

POLAND Polish prosecutors said Thursday they had identified a man they suspected of having injured Parma's Dino Baggio during a UEFA Cup game last month in Krakow. Baggio said he was struck in the head by a knife thrown from the crowd during a UEFA Cup match against Wisla Krakow.

"We have a suspect," said Malgorzata Wilkosz-Sliwa, a spokeswoman for the prosecutors' office in Krakow. "We will soon ask the court to press charges against the man and order his arrest." She identified the suspect as "a very young man."

Wisla Krakow previously said Baggio could have been hit by a stone or a metal object. But television pictures showed it was almost certainly a knife.

GERMANY A fan in Berlin was reported to be in critical condition Thursday after being thrown out of a subway train during violence that followed a match between Bayer Leverkusen and Hertha Berlin on Wednesday.

The man suffered head and leg injuries as fans vandalized carriages while traveling home from the match, which Hertha lost. (AP, AP, Reuters)

'Beijing Curse' Afflicts China Soccer Fans

Beijing Times Service

BEIJING — Beijing's boisterous soccer fans have provoked a campaign against their use of obscenities to berate opposing teams, referees and poorly performing members of their hometown professional team.

One phrase in particular is screamed by fans of the Beijing team, the National Guardians, with startling abandon, with hundreds chanting it in unison. Long used as an insulting epithet in the streets, it includes a crude reference to female anatomy. For purposes of public discussion and earnest condemnation, the press calls it the "Beijing curse."

"Recently the 'Beijing curse' has filled the Workers' Stadium, and increasing numbers of Beijingers feel ashamed about this," said the first of

many articles in the Beijing Youth Daily, published by the Communist Youth League. "Every fan must assume personal responsibility for driving the 'Beijing curse' out of the stadium." Players, teachers and parents have pleaded with the offending fans to clean up their language.

But if a match Nov. 4 was any indication, the once-great power of official exhortation in China has diminished. The Guardians played a South Korean team in the Asian Champions Cup. As soon as the teams took the field, the shouts of the Beijing curse began. Most were aimed at the Beijing team as it lost 2-0.

"We just do it to let off steam," said Liu Bin, 30, who said he was a government worker. "People who go to see sports want to hang loose."

SCOREBOARD

ICE HOCKEY

W	L	T	Pts	GF	GA
Los Angeles	5	7	13	34	38
Anaheim	4	5	12	31	31
San Jose	7	4	14	30	35

W	L	T	Pts	GF	GA
Montreal	0	0	0	0	0
New Jersey	1	1	1	3	3
Atlanta	1	1	1	3	3

W	L	T	Pts	GF	GA
New Jersey	8	5	0	16	28
Pittsburgh	7	6	1	14	24
N.Y. Islanders	7	6	1	14	24
Philadelphia	5	3	4	14	24
N.Y. Rangers	4	2	3	13	23

W	L	T	Pts	GF	GA
Toronto	7	2	16	44	46
Buffalo	6	4	14	34	36
Montreal	6	2	14	34	36
Quebec	5	3	14	32	35
St. Louis	5	3	14	32	35

W	L	T	Pts	GF	GA
Carolina	6	3	15	38	24
Florida	5	3	13	31	26
Atlanta	5	3	13	31	26
Washington	4	3	11	28	33

W	L	T	Pts	GF	GA
Dallas	8	4	16	43	32
St. Louis	8	4	16	43	32
Minnesota	8	4	16	43	32
Chicago	4	2	10	20	41

W	L	T	Pts	GF	GA
Los Angeles	8	6	14	48	37
San Jose	6	3	13	40	34
San Jose	6	3	13	40	34
Phoenix	7	2	16	30	16
Calgary	7	2	16	30	16

BASEBALL

W	L	T	Pts	GF	GA
Los Angeles	5	7	13	34	38
Anaheim	4	5	12	31	31
San Jose	7	4	14	30	35

W	L	T	Pts	GF	GA
Montreal	0	0	0	0	0
New Jersey	1	1	1	3	3
Atlanta	1	1	1	3	3

W	L	T	Pts	GF	GA
New Jersey	8	5	0	16	28
Pittsburgh	7	6	1	14	24
N.Y. Islanders	7	6	1	14	24
Philadelphia	5	3	4	14	24
N.Y. Rangers	4	2	3	13	23

W	L	T	Pts	GF	GA
Toronto	7	2	16	44	46
Buffalo	6	4	14	34	36
Montreal	6	2	14	34	36
Quebec	5	3	14	32	35
St. Louis	5	3	14	32	35

W	L	T	Pts	GF	GA
Carolina	6	3	15	38	24
Florida	5	3	13	31	26
Atlanta	5	3	13	31	26
Washington	4	3	11	28	33

W	L	T	Pts	GF	GA
Dallas	8	4	16	43	32
St. Louis	8	4	16	43	32
Minnesota	8	4	16	43	32
Chicago	4	2	10	20	41

W	L	T	Pts	GF	GA
Los Angeles	8	6	14	48	37
San Jose	6	3	13	40	34
San Jose	6	3	13	40	34
Phoenix	7	2	16	30	16
Calgary	7	2	16	30	16

BASKETBALL

W	L	T	Pts	GF	GA
Los Angeles	5	7	13	34	38
Anaheim	4	5	12	31	31
San Jose	7	4	14	30	35

W	L	T	Pts	GF	GA
Montreal	0	0	0	0	0
New Jersey	1	1	1	3	3
Atlanta	1	1	1	3	3

W	L	T	Pts	GF	GA
New Jersey	8	5	0	16	28
Pittsburgh	7	6	1	14	24
N.Y. Islanders	7	6	1	14	24
Philadelphia	5	3	4	14	24
N.Y. Rangers	4	2	3	13	23

W	L	T	Pts	GF	GA
Toronto	7	2	16	44	46
Buffalo	6	4	14	34	36
Montreal	6	2	14	34	36
Quebec	5	3	14	32	35
St. Louis	5	3	14	32	35

W	L	T	Pts	GF	GA
Carolina	6	3	15	38	24
Florida	5	3	13	31	26
Atlanta	5	3	13	31	26
Washington	4	3	11	28	33

W	L	T	Pts	GF	GA
Dallas	8	4	16	43	32
St. Louis	8	4	16	43	32
Minnesota	8	4	16	43	32
Chicago	4	2	10	20	41

W	L	T	Pts	GF	GA
Los Angeles	8	6	14	48	37
San Jose	6	3	13	40	34
San Jose	6	3	13	40	34
Phoenix	7	2	16	30	16
Calgary	7	2	16	30	16

SOCCER

W	L	T	Pts	GF	GA
Los Angeles	5	7	13	34	38
Anaheim	4	5	12	31	31
San Jose	7	4	14	30	35

W	L	T	Pts	GF	GA
Montreal	0	0	0	0	0
New Jersey	1	1	1	3	3
Atlanta	1	1	1	3	3

W	L	T	Pts	GF	GA
New Jersey	8	5	0	16	28
Pittsburgh	7	6	1	14	24
N.Y. Islanders	7	6	1	14	24
Philadelphia	5	3	4	14	24
N.Y. Rangers	4	2	3	13	23

W	L	T	Pts	GF	GA
Toronto	7	2	16	44	46
Buffalo	6	4	14	34	36
Montreal	6	2	14	34	36
Quebec	5	3	14	32	35
St. Louis	5	3	14	32	35

W	L	T	Pts	GF	GA
Carolina	6	3	15	38	24
Florida	5	3	13	31	26
Atlanta	5	3	13	31	26
Washington	4	3	11	28	33

W	L	T	Pts	GF	GA
Dallas	8	4	16	43	32
St. Louis	8	4	16	43	32
Minnesota	8	4	16	43	32
Chicago	4	2	10	20	41

W	L	T	Pts	GF	GA
Los Angeles	8	6	14	48	37
San Jose	6	3	13	40	34
San Jose	6	3	13	40	34
Phoenix	7	2	16	30	16
Calgary	7	2	16	30	16

MAJOR COLLEGE SCORES

1	Greenwich	25	10	1	56	37
2	St. Louis	15	10	1	45	37
3	Philadelphia	15	10	1	45	37
4	Washington	15	10	1	45	37
5	Los Angeles	15	10	1	45	37
6	San Jose	15	10	1	45	37
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8	San Jose	15	10	1	45	37
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94	San Jose	15	10	1	45	37
95	San Jose	15	10	1	45	37
96	San Jose	15	10	1	45	37
97	San Jose	15	10	1	45	37
98	San Jose	15	10	1	45	37
99	San Jose	15	10	1	45	37
100	San Jose	15	10	1	45	37

POSTCARD

Where's the Audience?

By Sharon Waxman
Washington Post Service

LOS ANGELES — Will American audiences have nothing to do with movies about slavery?

That could be one conclusion drawn from the dismal showing of Oprah Winfrey's dark, ambitious drama "Beloved," a three-hour production praised by critics and rejected by audiences.

After four weeks in the theater and an enormous marketing push by Disney that included a one-hour special on Winfrey's talk show, the film has taken in only \$21.1 million at the box office. That is barely half of what another Disney film, Adam Sandler's goofball comedy "Waterboy," rang up in three days. That film cost Disney \$23 million to make and took in \$39 million over the weekend. "Beloved" cost the studio \$55 million, not including marketing costs.

"It's discouraging," said Joe Roth, chief of Disney Studios. "It's discouraging how difficult it is to get people to come see serious movies."

Not even those expected to show up — blacks and Winfrey's core female audience — turned out to support the film.

The lesson is that the country seems to be in a mood where people are looking for real escapism entertainment," said Paul Degarabedian, president of Exhibitor Relations, which tracks box office figures. "It was too much to ask audiences to sit through a three-hour movie, a powerful movie, and come out telling their friends to go see it."

"Beloved" is not the only recent film about slavery that has failed to find an audience. "Amistad," directed by Steven Spielberg, was neither a box office nor a significant critical success. But other

films with difficult subject matter have succeeded in breaking through to wide audiences, notably "Schindler's List," about the Holocaust, and this summer's "Saving Private Ryan," about World War II, both by Spielberg.

But "Beloved" is a particularly difficult moviegoing experience, a fact that even Roth — like many critics — has acknowledged. Based on the best-selling novel by Toni Morrison, the film tells the painful story of a former slave, played by Winfrey, who struggles to create a new life as she is haunted by the ghosts of her horrific past. Critics praised the film's powerful message, but also noted that it was — as one critic put it — a "long, hard sit," not necessarily an uplifting Hollywood experience.

"Black historical pieces, like white historical pieces, are very difficult commercial prospects," said Helena Echegoyan, a producer who is black. "Historical movies are difficult to attach to emotionally; the lesson is placed somewhere else. And when you're dealing with a serious subject matter like slavery, I don't know that's a place people want to be transported to."

But black filmmakers fear that future potential projects may be tainted by the failure of "Beloved," reinforcing the Hollywood mind-set that serious black topics cannot be successful at the box office.

"Because 'Beloved' didn't do better, I know it will become a precedent for why serious, literary dramas about the black experience don't appeal to people," Echegoyan said. "At the end of the day it's just another black movie that didn't perform, or that underperformed."

Spin Cycle: The Re-Branding of Prince Charles

By Suzy Menkes
International Herald Tribune

LONDON — The new Prince of Wales Web site on the Internet tells you a lot about Charles a year after the death of Diana, and on the eve of his 50th birthday.

Under his royal crest of three white feathers is a laughing face — an alt-screen version of the crumpled, anguished prince dubbed by Britain's satirical press as the "heir of sorrows."

Click! And there is Charles playing pool, laying wreaths, meeting and greeting as he carried out last week's worthy agenda on a visit to the Balkans. Surf the news, speeches and "picture gallery" and you find no iconic images of Diana, Princess of Wales. There is no sign either of Camilla Parker Bowles, who has dominated this month's tabloids in a mushroom-cloud of a blue hat at a society wedding she and her royal consort separately attended.

The Internet site — www.princeofwales.gov.uk — is inevitably designed to burnish the image of a man variously described as dutiful, teetotal, calm, to his innocent young wife and potty when talking to his flowers. The cyber-space vision is of a prince who is dutiful, concerned, spiritual (when communing with nature) and visionary about organic farming, architecture, urban regeneration and other pet projects. (Read the royal speeches railing against genetically modified crops.)

This new initiative issuing from St. James's Palace, Charles's official court, aims to re-brand the future Charles III for Blair's Cool Britannia. (Click! "Why I am modern but not a modernist," Charles writes.)

The prince may have taken advice from England's foremost doctor of spin, Trade Secretary Peter Mandelson, who will attend the private birthday bash Parker Bowles is throwing Saturday at Charles's Highgrove home. The guest list (leaked, of course) includes a smattering of educated showbiz types;

such rural landowners as Gerald, Duke of Westminster, whose homes represent Charles's natural habitat; various Euro-royals, but, famously, not his mother, Queen Elizabeth I nor his sister and two brothers, who all have "unavoidable" previous engagements.

An official 2,000-hand-shake "people's party" will be thrown Friday at Buckingham Palace by Queen Elizabeth. There is, of course, no foundation for the malicious gossip, touted in a television documentary last week, that Charles and his mother are at loggerheads over Parker Bowles and that he would be "secretly delighted" if Her Majesty threw in the crown.

Charles instantly denied the allegations as "ludicrous." In a statement that praised the "duty and loyalty" of the monarch as "an example to us all." With his sense of history, he knows that "abdication" is not a word mentioned in the royal family since Edward VIII. He did it all in for the unpopular, plain, older, divorced woman he loved. (Does this sound familiar?)

"Granny," the Queen Mother whom Charles adores, never forgave the Duke and Duchess of Windsor for pinching her ailing husband and subsequently her young daughter on to the throne.

Forty-five years later, Queen Elizabeth believes that monarchy is given and Charles knows that there is no solution to an oedipal royal chess game that requires the death of the queen for the king to take the throne. (At least the bishops seem to be on his side about Camilla: The idea that the Prince of Wales should marry his mistress with church approval and public blessing was put forward last week by the Bishop of Durham.)

So here is Charles, at 50, living the reality expressed by his friend Nicholas Soames that "being heir to the throne is not an ambition but a duty." It may even be, as Eric Anderson, former headmaster of Eton College and another friend, said Monday, that Charles is happy with his lot.



Prince Charles, with his terrier, Tigger, is burnishing his image.

"They must be mad," Charles told him in reaction to the idea of his mother moving over. "The things I want to do I can do much better as Prince of Wales."

The prince's burning causes that he could not endorse as an apolitical king might once have seemed obscure, even irrelevant. But recent thinking and last year's change of government have put Charles more in step with a generation from which he had seemed as divided as by the rigid side-part in his hair.

Current public anxiety about genetically modified agriculture taps into the prince's enthusiasm for organic farming, which he introduced into his Home Farm at Highgrove in 1985 and which he has

encouraged throughout the Duchy of Cornwall, his vast 128,000 acres of landed estates.

Similarly, when in 1984 Charles described a piece of modern architecture as a "monstrous carbuncle," he was dismissed as a fuddy-duddy with a blinkered 18th-century vision. But since then his dogged enthusiasm for a model town called Poundbury on land in the Duchy of Cornwall has met with enthusiasm.

In Margaret Thatcher's "stand on your own two feet" Britain, discussion of urban regeneration or helping the disadvantaged was derided from a prince who hies from a four-palace family. But the Prince's Trust, set up in 1976 to

give opportunities to young people, has been a personal success for Charles. The trust distributed £32 million in 1998. Other royal works include Business in the Community and a foundation for the urban environment.

The causes are worthwhile, if lacking the dash, bravura and glamour of the media-grabbing issues espoused by Diana. They have provided the prince with a structure and sense of purpose for the years in waiting.

Why then, when Charles has so many activities, interests and achievements, does the public perceive him as a sad and unhappy man whose busted marriage was symbolic of a more general failure?

The heart of the matter, as it has been for so many monarchs before him, is the personal issue. As a father, Charles has tried to be (forget Diana's mischievous barbs) as close, loving and warm as he feels his own family was uptight and distant. His empathy with his children, from protecting unsure William to taking Harry by the hand as they viewed Diana's memorial flowers, has warmed the public.

But until and unless he resolves the Camilla question, his life will lack the still center from which his public works can be viewed in perspective.

For all his talk about inner cities, this prince with crab-apple red cheeks is a natural-born countryman. The rural pursuits he enjoys are now an anachronism for most of his future subjects. Even his interest in watercolor painting is light-years away from popular culture. (Yes, the Spice Girls are just "spin.")

In brief, Charles is not Diana, with her extraordinary empathy with people equally alien to her privileged background. The prince therefore has no hope of transcending his family heritage to become a charismatic figure, let alone a global superstar. But at 50, he is doing his modest, self-deprecating best to be a useful member of the Windsor family firm.

PEOPLE



Christopher Reeve talking about his new movie.

THE conductor Kurt Masur, music director of the New York Philharmonic since 1991, will become principal conductor of the London Philharmonic Orchestra as well, starting in 2000. Masur said the five-year appointment to conduct a limited number of concerts would not affect his commitment to the New York Philharmonic, which recently extended his contract to 2002. "Nothing will be changed in my relationship with the Philharmonic," said Masur, 71. The London Philharmonic has been without a music director since Franz Welser-Möst left in 1995.

Christopher Reeve says his ABC movie "Rear Window" is a thriller of the high-tech variety. It showcases technology that people with spinal-cord injuries can use, he said. Reeve, who broke his neck in a fall from a horse in 1995, said: "It's an education about rehabilitation woven into a thriller. I tried to do it to represent all of us." Reeve said viewers shouldn't expect "Rear Window" to mirror the Alfred Hitchcock classic. "The movie I just did is specifically not a remake of the old film," he said.

William Luers, a former State Department official and ambassador to Czechoslovakia and Venezuela who has been president of the Metropolitan Museum of Art since 1986, is to be the next chairman and president of the United Nations Association of the USA, which does research and organizes

chapters of UN supporters. He succeeds John Whitehead as chairman and Alvin Adams as president.

Kevin Klose, a former newspaper reporter who has been running the U.S. government's nonmilitary worldwide radio and television network, has been selected to run National

Public Radio. Klose succeeds Delano Lewis, who resigned in August. Klose's most recent job was as director of the U.S. International Broadcasting Bureau, and before that he was president of the government's Radio Free Europe/Radio Liberty from 1992 to 1997.

Two 19th-century oil sketches by the British artist John Constable are missing from the Victoria and Albert Museum in London, according to newspaper reports published Thursday. The sketches were last seen in a storeroom in August at the museum and are believed to have been stolen, the museum director, Alan Borg, said.

One of Sweden's leading literary critics, Horace Engdahl, has been chosen to lead the Swedish Academy, which awards the Nobel Prize for Literature. Engdahl, 49, will succeed Sture Allén as the academy's permanent secretary.

The University of Texas is acquiring a collection of more than 700 European paintings and drawings valued at nearly \$35 million. The collection includes works from the Renaissance through the Rococo period. Assembled in Italy by the art historian William Suida, the collection later was expanded by his daughter, Bertina Suida Manning, and her husband, Robert Manning.

Septuplets Are a Happy Handful

Compiled by the Staff from Dispatches

CARLISLE, Iowa — The world's first surviving septuplets will be one year old next week and their mother says they are a happy, healthy handful.

Each day, the four boys and three girls, born Nov. 19 last year, go through 40 diapers, 32 bottles of formula and 11 jars of baby food. "I mix formula a gallon at a time," said their mother, Bobbi McCaughey.

The first year has presented challenges — eye surgery for Kenneth, a blood transfusion for Joel, bouts with lung disease for Alexis and special feeding needs for Alexis and Natalie. But all seven are rolling over, grasping, smiling and babbling away. Three of them are crawling, five can sit up alone and all are beginning to show personalities. Their big sister, Mikayla, who is almost 3, helps out. (Reuters/WP)

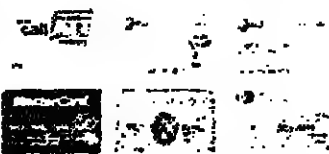


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Egypt (Cairo)	010-2200	Italy	02-77-1011	Switzerland	0000-89-0011
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